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D.M. TEXTILE MILLS LIMITED

Westridge, Industrial Area, Rawalpindi.

Telephone: (051) 5181981, 5181977-78

E-mail: dmtm@dmtextile.com.pk

E-mail: dmtextilemills@yahoo.com

Website: www.dmtextile.com.pk



**D.M. TEXTILE
MILLS LIMITED**

**INTERIM CONDENSED
FINANCIAL INFORMATION
FOR THE THIRD QUARTER
ENDED**















March 31,

2024





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D.M. TEXTILE MILLS LIMITED

Company's Information

BOARD OF DIRECTORS

CHAIRMAN	Mian Habib Ullah
CHIEF EXECUTIVE:	Mr. Sami Ullah
DIRECTORS:	Mr. Amer Zeb Mr. Abrar Alam Mr. Syed Hameed ul Haq Mr. Muhammad Suleman Khan Mr. Rao Khalid Pervaiz

AUDIT COMMITTEE:

CHAIRMAN:	Mr. Amer Zeb
MEMBERS:	Mr. Abrar Alam Mr. Muhammad Suleman Khan

HUMAN RESOURCE & REMUNERATION COMMITTEE:

CHAIRMAN:	Mr. Muhammad Suleman Khan
MEMBERS:	Mr. Syed Hameed ul Haq Mr. Sami Ullah

ACTING COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Rao Khalid Pervaiz

BANKERS:

Faysal Bank Limited
Meezan Bank Ltd.
Habib Metropolitan Bank
MCB Bank Limited
Askari Bank Limited

AUDITORS:

M/s. Mushtaq & Co
Chartered Accountants
19-B, Block-G, Gulberg-III, Lahore.
Ph: (042) 35858624-6

LEGAL ADVISER:

Malik Shehriyar Qamar Afzal
Afzal & Afzal
208-B, Tufail Road, Opp: Fatima Jinnah
University, Katchery Chowk, Rawalpindi

REGISTRAR:

Corplink (Pvt) Ltd.
Wings Arcade, 1-K, Commercial
Model Town, Lahore.
Phone: (042) 35916714, 35916719
Fax: (042) 36869037

REGISTERED OFFICE:

Westridge, Industrial Area, Rawalpindi.
Telephone: (051) 5181981, 5181977-8
E-mail: dmtm@dmtextile.com.pk
E-mail: dmttextilemills@yahoo.com
Website: www.dmttextile.com.pk

D.M. TEXTILE MILLS LIMITED

VISION STATEMENT

We envision ourselves as a leading company known for its values, good business practices and optimum quality standards in diversified products & services with sustained growth.

MISSION STATEMENT

To provide quality products and services to our customers and to explore new era to achieve the highest level of success.

D.M. TEXTILE MILLS LIMITED

CHAIRMAN'S REVIEW REPORT

I am pleased to present the nine monthly financial statements along with Directors' Report for the period ended 31 March 2024. The Management is continuously trying its level best to utilize the available resources for the betterment of the Company. Management has positive intention and capability to revive the company.

I acknowledge and appreciate the contributions of the employees for betterment of the Company.

Rawalpindi:
April 29, 2024


Mian Habib Ullah
Chairman of the Board of Directors

D.M. TEXTILE MILLS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

The Directors present before you the un-audited financial statements for the third quarter ended 31 March 2024.

Performance: Net Profit/(Loss)

During the period Company had a net Profit of Rs.18,815,076 as compared to previous period net Loss of Rs.23,227,155. The profit is due to gain on disposal of assets.

Comparative financial results are given below:

Nine Month Ended	Rupees	
	31 March 2024	31 March 2023
Administrative & General Expenses	(34,631,873)	(42,892,776)
Other Expenses	(729,500)	(809,400)
Other Income	54,233,140	20,646,611
Profit / (Loss) from Operations	18,871,767	(23,055,565)
Financial Cost	(56,691)	(171,590)
Profit / (Loss) before Taxation	18,815,076	(23,227,155)
Taxation	-	-
Profit / (Loss) after taxation	18,815,076	(23,227,155)
Profit / (Loss) Earning per share – Basic & Diluted	6.16	(7.61)

Debt Servicing

Entire liabilities of the financial institutions have been paid off. Management is negotiating with other debt providers/suppliers so as to further reduce the liabilities of the Company.

Dividend

The Directors have not recommended dividend. Profit declared in the Profit & Loss Statement is un-realized profit due to gain on disposal of assets.

Disposal of Assets, Advance & Expenditure

Directors have granted specific approval for the disposal of assets/investment properties, advances and expenditures including capital expenditure as disclosed in the financial statements.

Future Prospects & Plans

The management is trying its level best to utilize the available resources. Further, the management has positive intention and capability to revive the company..

D.M. TEXTILE MILLS LIMITED

Corporate Social Responsibility

The company is aware of its corporate and social responsibilities and doing its best within the available resources.

Director's Remuneration Policy

The Company pays remuneration to two of its Executive Directors as disclosed in Notes of the financial statements. No remuneration is paid to the Non-Executive and Independent Directors other than meeting fees.

Acknowledgement

The Directors wish to place on record their acknowledgement for the cooperation extended by the financial institutions. Appreciation is also due to the employees of the company for their hard work and devoted efforts for the betterment of the company.

For and behalf of the Board of Directors



Chief Executive
Rawalpindi: April 29, 2024



Director

D.M. TEXTILE MILLS LIMITED

ڈائریکٹرز رپورٹ

معزز ممبران،

31 مارچ 2024 کو ختم ہونے والی تیسری سہ ماہی کے مالیاتی گوشوارے (غیر آڈٹ شدہ) آپ کے سامنے پیش کئے جا رہے ہیں۔

زیر نظر مدت کے دوران کمپنی کو بعد از ٹیکس مبلغ = 18,815,076 روپے کا منافع ہوا ہے۔ یہ منافع assets کی ڈسپوزل پر گین کی وجہ سے ہے۔ جبکہ گذشتہ سال اسی مدت کے دوران بعد از ٹیکس مبلغ 23,227,155 روپے کا خسارہ ہوا تھا۔

مالی نتائج کا موازنہ مندرجہ ذیل ہے۔

روپے		تفصیل
2023 مارچ 31	2024 مارچ 31	
(42,892,776)	(34,631,873)	انتظامی اور جزل اخراجات
(809,400)	(729,500)	دیگر اخراجات
20,646,611	54,233,140	دیگر آمدن
(23,055,565)	18,871,767	اپریشنز کا منافع / (خسارہ)
(171,590)	(56,691)	مالی اخراجات
(23,227,155)	18,815,076	منافع / (خسارہ) قبل از ٹیکس
-	-	ٹیکس
(23,227,155)	18,815,076	منافع / (خسارہ) بعد از ٹیکس
(7.61)	6.16	فی شیئر آمدن / (خسارہ) روپے (Basic & Diluted)

D.M. TEXTILE MILLS LIMITED

کمپنی نے تمام مالیاتی اداروں کے واجبات ادا کر دیئے ہیں۔ انتظامیہ دوسرے قرض داروں / سپلائرز سے گفت و شنید کر رہی ہے تاکہ کمپنی کے مالی بوجھ کو مزید کم کیا جاسکے۔ ڈائریکٹرز نے ڈیویڈنڈ تجویز نہیں کیا ہے۔ ان رپورٹس میں دکھایا گیا منافع un-realized منافع ہے جو کہ assets کی ڈسپوزل پر گین کی وجہ سے ہے۔ ڈائریکٹرز نے assets/investment properties کی ڈسپوزل، ایڈوانسز، خرچہ جات اور کیپیٹل خرچہ جات جیسا کہ ان رپورٹس میں دکھایا گیا ہے کی خصوصی منظوری دی ہوئی ہے۔ انتظامیہ متواتر کوشش کر رہی ہے کہ دستیاب وسائل کو بہترین طریقے سے استعمال کیا جائے۔ انتظامیہ کی نیت مثبت ہے اور کمپنی کی بحالی کی صلاحیت رکھتی ہے۔

کمپنی اپنی کارپوریٹ اور سماجی ذمہ داریوں سے آگاہ ہے اور دستیاب وسائل کے مطابق کوشش کرتی ہے۔ کمپنی اپنے دو ایگزیکٹو ڈائریکٹرز کو اجرت دیتی ہے۔ نان ایگزیکٹو ڈائریکٹرز اور غیر جانبدار ڈائریکٹرز کو میٹنگ فیس کے علاوہ اجرت نہیں دی جاتی۔ ڈائریکٹرز مالیاتی اداروں کے تعاون کے مشکور ہیں۔ کمپنی کے ملازمین داد کے مستحق ہیں کہ انھوں نے کمپنی کی بہتری کے لئے لگن اور محنت سے کام کیا۔

ڈائریکٹر

چیف ایگزیکٹو

راولپنڈی: 29 اپریل 2024

D.M. TEXTILE MILLS LIMITED

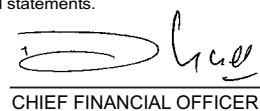
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	NOTE	Un-audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
5,000,000 (30 June 2023: 5,000,000) ordinary shares of Rupees 10 each		50,000,000	50,000,000
Issued, subscribed and paid-up share capital			
3,052,429 (30 June 2023: 3,052,429) ordinary shares of Rupees 10 each		30,524,290	30,524,290
Reserves			
Capital reserve - surplus on revaluation of property, plant and equipment and investment properties - net of deferred income tax	5	576,721,799	577,020,729
Revenue reserve - unappropriated profit		59,756,170	40,642,162
Total reserves		636,477,969	617,662,891
Total equity		667,002,259	648,187,181
NON-CURRENT LIABILITY			
Employees' retirement benefit - gratuity		5,248,902	4,479,863
Deferred income tax liability		-	-
		5,248,902	4,479,863
CURRENT LIABILITIES			
Trade and other payables		115,126,176	107,143,706
Due to related parties		700,000	16,269,443
Unclaimed dividend		144,947	144,947
Taxation - net		155,247	6,988,489
		116,126,370	130,546,585
Total liabilities		121,375,272	135,026,448
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES		788,377,531	783,213,629
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	291,809,942	293,719,979
Investment properties	8	363,921,975	449,425,000
Advance against property	9	-	-
Long term investments		7,365,665	6,881,915
Long term deposits		9,155,034	9,155,034
		672,252,616	759,181,928
CURRENT ASSETS			
Advances		524,600	3,272,200
Due from related party		17,619,962	17,619,962
Short term deposit		-	-
Other receivables		92,970,670	1,588,206
Short term investments		1,289,163	1,288,381
Cash and bank balances		3,720,520	262,952
		116,124,915	24,031,701
TOTAL ASSETS		788,377,531	783,213,629

The annexed notes form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTHS ENDED 31 MARCH 2024 (UN-AUDITED)

	NINE MONTHS ENDED		QUARTER ENDED	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	----- Rupees -----			
ADMINISTRATIVE AND GENERAL EXPENSES	(34,631,873)	(42,892,776)	(11,554,390)	(15,697,250)
OTHER EXPENSES	(729,500)	(809,400)	(62,500)	(63,000)
	(35,361,373)	(43,702,176)	(11,616,890)	(15,760,250)
OTHER INCOME	54,233,140	20,646,611	44,614,406	6,801,679
PROFIT/(LOSS) FROM OPERATIONS	18,871,767	(23,055,565)	32,997,516	(8,958,571)
FINANCE COST	(56,691)	(171,590)	(56,060)	2,900
PROFIT/(LOSS) BEFORE TAXATION	18,815,076	(23,227,155)	32,941,456	(8,955,671)
TAXATION	-	-	-	-
PROFIT/(LOSS) AFTER TAXATION	18,815,076	(23,227,155)	32,941,456	(8,955,671)
PROFIT/(LOSS) PER SHARE - BASIC AND DILUTED	6.16	(7.61)	10.79	(2.93)

The annexed notes form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 31 MARCH 2024 (UN-AUDITED)

	NINE MONTHS ENDED		QUARTER ENDED	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	----- Rupees -----			
LOSS AFTER TAXATION	18,815,076	(23,227,155)	32,941,456	(8,955,671)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	18,815,076	(23,227,155)	32,941,456	(8,955,671)

The annexed notes form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2024

	Share capital	Capital reserve - Surplus on revaluation of property, plant and equipment and investment properties - net of deferred income tax	Revenue reserve - Unappropriated profit	Total reserves	Total equity
	----- Rupees -----				
Balance as at 30 June 2022 - audited	30,524,290	577,710,000	54,267,494	631,977,494	662,501,784
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to unappropriated profit- net of deferred income tax	-	(1,057,176)	1,057,176	-	-
Loss for the period	-	-	(23,227,155)	(23,227,155)	(23,227,155)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	(23,227,155)	(23,227,155)	(23,227,155)
Balance as at 31 March 2023 - un-audited	30,524,290	576,652,824	32,097,515	608,750,339	639,274,629
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to unappropriated profit- net of deferred income tax	-	367,905	(367,905)	-	-
Profit for the period	-	-	9,034,045	9,034,045	9,034,045
Other comprehensive loss for the period	-	-	(121,493)	(121,493)	(121,493)
Total comprehensive loss for the period	-	-	8,912,552	8,912,552	8,912,552
Balance as at 30 June 2023 - audited	30,524,290	577,020,729	40,642,162	617,662,891	648,187,181
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to unappropriated profit- net of deferred income tax	-	(298,930)	298,930	-	-
Loss for the period	-	-	18,815,076	18,815,076	18,815,076
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	18,815,076	18,815,076	18,815,076
Balance as at 31 March 2024 - un-audited	30,524,290	576,721,799	59,756,168	636,477,967	667,002,257

The annexed notes form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MARCH 2024 (UN-AUDITED)

	NOTE	NINE MONTHS EDNED	
		31 March	31 March
		2024	2023
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	10	(102,433,926)	732,046
Finance cost paid		(56,691)	(171,590)
Income tax paid		(6,833,242)	(2,537,260)
Net cash used in operating activities		(109,323,859)	(1,976,804)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		431,427	71,845
Net cash from investing activities		431,427	71,845
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from disposal of investment properties		112,350,000	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		3,457,568	(1,904,959)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		262,952	4,253,329
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		3,720,520	2,348,370

The annexed notes form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

D.M. TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 MARCH 2024 (UN-AUDITED)

1 THE COMPANY AND ITS OPERATIONS

D.M. Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) and listed on Pakistan Stock Exchange Limited (PSX). The registered office and head office is situated at Westridge, Industrial Area, Rawalpindi. The principal activity of the Company is manufacturing of yarn and cloth, processing and stitching the cloth and trade of textile products.

PSX vide Notice No. PSX/N-1222 dated 02 November 2020 placed the Company on defaulters' segment with effect from 03 November 2020 due to non-compliance with PSX Regulations.

2 BASIS OF PREPARATION

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

" International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

" Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2023. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

	Un-audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
5 CAPITAL RESERVE - SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES - NET OF DEFERRED INCOME TAX		
- Property, plant and equipment		
Balance at the beginning of the period / year	268,612,032	269,301,303
Transferred to unappropriated profit in respect of incremental depreciation charged during the period / year	(421,028)	(970,804)
Related deferred income tax liability	122,098	281,533
	(298,930)	(689,271)
Balance at the end of the period / year	268,313,102	268,612,032
- Investment properties		
Revaluation surplus	313,858,182	313,858,182
Related deferred income tax liability	(5,449,485)	(5,449,485)
	308,408,697	308,408,697
	576,721,799	577,020,729

D.M. TEXTILE MILLS LIMITED

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies, as disclosed in preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

	Un-audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
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6.2 Commitments

	Nil	Nil
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7 PROPERTY, PLANT AND EQUIPMENT

	293,719,979	296,783,100
Net book value at the beginning of the period / year		
Less: Depreciation charged during the period / year	(1,910,039)	(3,063,121)
Net book value at the end of the period / year	291,809,940	293,719,979

8 INVESTMENT PROPERTIES

On 28 April 2020, 5 October 2023 and 27 October 2023 the Board had discussed and authorised the disposal 8 kanal (160 marla) land comprising of old godowns and open area from a total area of 823.56 marlas, which was subsequently sold on 15 February 2024. The fair values of the sold land and buildings on date of disposal were Rupees 105,119,088 and Rupees 7,230,912 respectively. The carrying values of land and buildings owned by the Company as at quarter end are Rupees 331,780,000 and Rupees 32,141,975 (30 June 2023: Rupees 411,780,000 and Rupees 37,645,000 respectively).

9 ADVANCE AGAINST PROPERTY

An amount of Rupees 51.150 million was given by the Company as advance against purchase of property. The property could not be transferred in the Company's name due to the want of completion of legal formalities. With reference to this advance, the Director (Enforcement) of Securities and Exchange Commission of Pakistan (SECP) vide his Order dated 29 November 2007 imposed a penalty of Rupees 100,000 on each of the director except one (nominee NIT) of the Company for contravention of section 196(2j) of the repealed Companies Ordinance, 1984. Further directions were given under section 473 for transferring the property in the name of the Company within thirty days from the Order date. The Chief Executive Officer (C.E.O) of the Company filed a revision application with the Appellate Bench of SECP under section 484 of the repealed Companies Ordinance, 1984 against this Order on 10 January 2008, where the Appellate Bench decided not to interfere with the impugned order.

The C.E.O also filed an appeal under section 485 of the repealed Companies Ordinance, 1984 read with section 34 of the Securities and Exchange Commission of Pakistan Act, 1997 before the Lahore High Court, Rawalpindi Bench whereby stay order was granted to suspend the operation of above said impugned order. The Lahore High Court, Rawalpindi Bench, in its interim order dated 06 February 2015, Granted adjournment with the directions not to transfer / alienate the property / undertaking of the Company meanwhile. Further, the court, through its order dated 09 December 2015 transferred the case to Islamabad High Court (IHC), Islamabad.

The Board of Directors in the meeting held on 23 April 2014, after getting valuation at forced sale value of Rupees 72,007 million of said property from NAKMS Associates (Private) Limited, resolved that the right in property along with fixtures and fittings to be offered to the C.E.O on the basis of "first right of refusal" at the fixed floor price of Rupees 75.00 million. The Board further decided that an amount of Rupees 48.570 million be adjusted from interest free loan given by C.E.O and his close family members to the Company and the balance amount to be paid in three equal annual instalments of Rupees 8.810 million commencing from 01 May 2015. Accordingly, agreement was made between the Company and the C.E.O under the directions given by the Board of Directors of the Company.

However, the C.E.O in the case proceedings before the Islamabad High Court (IHC), Islamabad on 03 May 2016 has submitted to transfer the property in the name of the Company within sixty days therefrom. The C.E.O filed a petition before the Islamabad High Court to seek relief on the grounds that the said property has already been attached in the cases titled The Bank of Punjab versus Bilal Fibers Limited and The Bank of Punjab versus Bilal Textiles (Private) Limited wherein the C.E.O was a guarantor. Meanwhile, the Board of directors and the shareholders in their meetings held on 09 October 2016 and 31 October 2016 respectively resolved to reverse the transaction of sale of property to C.E.O, subject to completion of legal formalities and in accordance with rules / law / procedures.

The Company filed a suit before the court of Civil Judge 1st Class (West), Islamabad dated 17 October 2017 against the C.E.O. while making Securities and Exchange Commission of Pakistan and Capital Development Authority parties to the case for directions to transfer the property in the name of the Company. Civil Judge 1st Class (West), Islamabad, vide order dated 28 July 2021 accepted the Company's appeal and directed to submit evidence and vide order dated 13 July 2023, partially decreed the case of the Company to the extent of recovery of remaining amount from the C.E.O. The Company has filed an appeal on 28 September 2023 against the said order before Islamabad High Court (IHC). On 25 October 2023 IHC, Islamabad, suspended the operation of the impugned judgment and decree dated 13 July 2023 until the next date of hearing.

The IHC vide its order dated 16 November 2017, reduced the penalty from Rupees 100,000 to Rupees 50,000 to be paid by each director of the Company within the period of thirty days.

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The Securities and Exchange Commission of Pakistan filed an appeal before the IHC, Islamabad, dated 13 September 2018 for execution of IHC decision dated 16 November 2017 to appoint statutory auditors to conduct a special audit to calculate the amount of profit which could have been earned on the amount of Rupees 51.150 million, if invested with any scheduled bank on daily product basis in the relevant period, and further requested the IHC to send notice to Lahore High Court, Lahore, for release of the property. The matter is pending adjudication.

The Bank of Punjab filed an appeal before the Islamabad High Court, Islamabad to set-aside orders dated 03 May 2016 and 16 November 2017. The matter is pending adjudication.

On 24 May 2022, the Company filed an application before Islamabad High Court, Islamabad praying that The Bank of Punjab and Bilal Fibers Limited and Bilal Textiles (Private) Limited have entered into a settlement agreements, hence, the said property may please be declared as lawful property of D.M. Textile Mills Limited. The matter is pending adjudication.

(Un-audited)

NINE MONTHS ENDED	
31 March 2024	31 March 2023

NOTE	Rupees	Rupees
10 CASH GENERATED FROM OPERATIONS		
Profit / (loss) before taxation	18,815,076	(23,227,155)
Adjustments for non-cash charges and other items:		
Depreciation	1,910,039	2,297,341
Provision for gratuity	769,039	554,350
Interest income	(915,959)	(612,762)
Finance cost	56,691	171,590
Working capital changes	10.1 (96,221,837)	21,548,682
Gain on remeasurement of fair value of investment properties	(26,846,975)	-
	<u>(102,433,926)</u>	<u>732,046</u>

10.1 Working capital changes

(Increase) / decrease in current assets:

Advances	2,747,600	(64,000)
Other receivables	(91,382,464)	1,477,336
	<u>(88,634,864)</u>	<u>1,413,336</u>

Increase / (decrease) in current liabilities:

Trade and other payables	7,982,470	11,073,378
Due to related party	(15,569,443)	9,061,968
	<u>(7,586,973)</u>	<u>20,135,346</u>
	<u>(96,221,837)</u>	<u>21,548,682</u>

11 TRANSACTIONS WITH RELATED PARTIES

i) Transactions

(Un-audited)			
NINE MONTHS ENDED		QUARTER ENDED	
31 March 2024	31 March 2023	31 March 2024	31 March 2023

----- Rupees -----

Key management personnel

Remuneration and other benefits	5,284,410	13,461,438	1,857,680	7,056,066
Sami Ullah - Chief Executive Officer (CEO)				
Loan obtained during the period	1,329,387	10,361,968	-	5,757,002
Paid during the period	(7,650,695)	(1,300,000)	-	-
DM Ventures - Associates				
Loan repaid during the period	9,948,135	-	9,948,135	-
Received during the period	700,000	-	-	-
Short Term Loan provided to D.M. Ventures	92,950,670	-	92,950,670	-

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	Un-audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
ii) Period / year end balances		
Due to / (from) related parties:		
Sami Ullah - CEO	-	6,321,308
Sam Corp (Private) Limited, Associated Company	700,000	700,000
DM Ventures Associates	(92,950,670)	9,248,135

12 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

13 RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgments and estimates are made in determining the fair values of the non-financial assets that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

At 31 March 2024	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Freehold land	-	273,220,000	-	273,220,000
Non-factory buildings	-	8,379,150	-	8,379,150
Electric installations	-	2,164,501	-	2,164,501
Furniture, fixtures and office equipment	-	124,290	-	124,290
Vehicles	-	7,922,000	-	7,922,000
	-	291,809,941	-	291,809,941
Investment properties - land and building	-	363,921,975	-	363,921,975
Total non-financial assets	-	655,731,916	-	655,731,916

At 30 June 2023	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Freehold land	-	273,220,000	-	273,220,000
Non-factory buildings	-	8,705,610	-	8,705,610
Electric installations	-	2,340,000	-	2,340,000
Furniture, fixtures and office equipment	-	134,369	-	134,369
Vehicles	-	9,320,000	-	9,320,000
	-	293,719,979	-	293,719,979
Investment properties - land and building	-	449,425,000	-	449,425,000
Total non-financial assets	-	743,144,979	-	743,144,979

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The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for its property plant and equipment and investment properties after regular intervals. The management updates the assessment of the fair value of each property, taking into account the most recent independent valuations. The management determine a property's value within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of electric installations, furniture fixtures and office equipment and vehicles is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the replacement value / new purchase of the same and electric installations.

Valuation processes

The Company engages external, independent and qualified valuers to determine the fair values of the Company's property plant and equipment and investment properties after regular intervals. The fair values of property, plant and equipment and investment properties, have been determined by Danish Enterprises and Construction (the valuer) as at 30 June 2022 and 30 June 2023 respectively.

Changes in fair values are analyzed at each reporting date during the annual valuation discussion between the Chief Financial Officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

14 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 29th April 2024.

16 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

No significant reclassification / rearrangement of corresponding figures has been made.

17 GENERAL

Figures have been rounded off to the nearest Rupee unless otherwise stated.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER