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D.M. TEXTILE MILLS LIMITED

Industrial Area, Westridge, Rawalpindi.

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Website: www.dmtextile.com.pk



**D.M. TEXTILE
MILLS LIMITED**

**INTERIM CONDENSED
FINANCIAL INFORMATION
FOR THE FIRST QUARTER
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







September 30,

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 Limited
Habib Metropolitan Bank Limited
MCB Bank Limited

AUDITORS:

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

LEGAL ADVISER:

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

REGISTRAR:

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

REGISTERED OFFICE:


Industrial Area, Westridge, Rawalpindi.
Telephone: 051-5181977-78
E-mail: dmtm@dmtextile.com.pk
E-mail: dmttextilemills@yahoo.com
Website: www.dmttextile.com.pk

D.M. TEXTILE MILLS LIMITED

CHAIRMAN'S REVIEW REPORT

The management is continuously trying its level best to utilize the available resources to increase the income and repayment of Company's liabilities. I appreciate the efforts of the Board & Management and I hope for further improvement in future.

Rawalpindi:
October 28, 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 condensed financial statements for the first quarter ended 30 September 2024.

Performance: Net Profit/(Loss)

During the period Company had a net Loss of Rs.7,800,948/= as compared to previous period net Loss of Rs. 5,642,313/=.

Comparative financial results are given below:

Half Year Ended	Rupees	
	30-09-2024	30-09-2023
Administrative & General Expenses	(15,838,184)	(15,260,416)
Other Income	8,043,309	9,618,734
(Loss)/Profit from operations	(7,794,875)	(5,641,682)
Finance Cost	(6,073)	(631)
(Loss)/Profit Before Levies & Income Tax	(7,800,948)	(5,642,313)
Levies / Taxation	-	-
Profit/(Loss) after taxation	(7,800,948)	(5,642,313)
(Loss)/Earning per share Basic and diluted	(2.56)	(1.85)

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 due to loss.

Future Prospects & Plans

Currently the company's principal line of business is manufacturing of yarn and cloth, processing of the cloth and trade of textile products etc. Due to existing economic situation and political instability business environment has been badly affected. Especially the textile sector is going through the worst situation and has lost its competitiveness with the global competitors due to high costs of energy, financing, inflation and other inputs.

Considering the current economic conditions, the Board of Directors has decided to change the Principal Line of Business of the Company and resolved in their meeting on 03 October, 2024 that new principle line of business of the company may be to undertake all types of real estate development including

D.M. TEXTILE MILLS LIMITED

investment, development, marketing, construction, purchase, sale & lease of real estate assets and ancillary activities. Real Estate have good future with ever growing demand and will be beneficial for the Company and its members. Company's name is placed on defaulters' segment of the Pakistan Stock Exchange which is affecting Company's name. Directors are hopeful that by adopting new principal line of business, company's name will be removed from the PSX defaulters' segment. The existing resources are proposed to be used for the new principal line of business. The management is confident of revival of the Company.

ESG Obligations

The company is aware of its environmental, social and governance responsibilities. Being non-operational, it is unable to comply with the ESG obligations.

Gender Pay Gap Statement under SECP Circular 10 of 2024

The Company is not operational; hence we are working with limited staff and without females. Necessary comparative disclosures will be made as and when the Company restarts its operation.

Director's Remuneration Policy

The Company pays remuneration to two of its Executive Directors as disclosed in Notes of the financial statements.

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: October 28, 2024

D.M. TEXTILE MILLS LIMITED

ڈائریکٹرز رپورٹ

معزز ممبران،

30 ستمبر 2024 کو ختم ہونے والے پہلے کوارٹر 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 7,800,948 روپے کا خسارہ ہوا ہے جبکہ گذشتہ سال اسی مدت کے دوران بعد از ٹیکس مبلغ 5,642,313 روپے کا خسارہ ہوا تھا۔

مالی نتائج کا موازنہ مندرجہ ذیل ہے۔

روپے		تفصیل
30 ستمبر 2023	30 ستمبر 2024	
(15,260,416)	(15,838,184)	انتظامی اور جنرل اخراجات
9,618,734	8,043,309	دیگر آمدن
(5,641,682)	(7,794,875)	اپریٹنگ کا (خسارہ) / منافع
(631)	(6,073)	مالی اخراجات
(5,642,313)	(7,800,948)	منافع / (خسارہ) قبل از لیویز / ٹیکس
-	-	لیویز / ٹیکس
(5,642,313)	(7,800,948)	منافع / (خسارہ) بعد از لیویز / ٹیکس
(1.85)	(2.56)	فی شیئر آمدن / (خسارہ) روپے (Basic & Diluted)

کمپنی اس عرصہ کے دوران اپنے پرنسپل لائین آف بزنس میں اپریٹنگ بحال نہیں کر سکی۔ کمپنی نے تمام مالیاتی اداروں کے واجبات ادا کر دیئے ہیں۔ انتظامیہ دوسرے قرض داروں سے گفت و شنید کر رہی ہے تاکہ کمپنی کے مالی بوجھ کو مزید کم کیا جاسکے۔

ڈائریکٹرز نے خسارہ کی وجہ سے ڈیویڈنڈ تجویز نہیں کیا ہے۔

D.M. TEXTILE MILLS LIMITED

اس وقت کمپنی کا پرنسپل لائین آف بزنس دھاگہ تیار کرنا، کپڑے کی پروسیسنگ اور ٹیکسٹائل مصنوعات کی تجارت ہے۔ موجودہ اقتصادی حالات اور سیاسی عدم استحکام کی وجہ سے کاروباری حالات پر منفی اثرات مرتب ہوئے ہیں۔ خاص طور پر ٹیکسٹائل سیکٹر بدترین صورت حال سے گزر رہا ہے اور توانائی کی زیادہ قیمت، مہنگائی اور افراط زر اور دیگر عوامل کی وجہ سے عالمی مقابلے میں اپنی مسابقت کھو چکا ہے۔

موجودہ اقتصادی حالات کو مد نظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے کمپنی کی پرنسپل لائین آف بزنس کو تبدیل کرنے کا فیصلہ کیا ہے اور اپنے اجلاس منعقدہ 03 اکتوبر 2024 کو یہ قرار دیا ہے کہ کمپنی کا پرنسپل لائین آف بزنس ہوگا کہ وہ تمام اقسام کی ریئل اسٹیٹ کی ڈویلپمنٹ انجام دے جس میں انویسٹمنٹ، ڈویلپمنٹ، مارکیٹنگ، تعمیر، خریداری، فروخت اور ریئل اسٹیٹ اثاثوں کی لیز اور متعلقہ سرگرمیاں شامل ہیں۔ ریئل اسٹیٹ کا مستقبل اچھا ہے کیونکہ اس کی طلب ہمیشہ بڑھ رہی ہے اور یہ کمپنی اور اس کے ممبران کے لئے مفید ہوگا۔ کمپنی کا نام پاکستان سٹاک ایکسچینج لمیٹڈ کے ڈیفالٹرز کے زمرے میں شامل ہے جو کہ کمپنی کی ساکھ کو متاثر کر رہا ہے۔ ڈائریکٹرز کو امید ہے کہ نئی کاروباری لائین آف بزنس اپنانے سے کمپنی کا نام PSX ڈیفالٹرز کے زمرے سے کال دیا جائے گا۔ موجودہ وسائل کو نئی پرنسپل لائین آف بزنس کے لئے استعمال کرنے کی تجویز دی گئی ہے۔ انتظامیہ کمپنی کی بحالی پر پر اعتماد ہے۔ انتظامیہ اپنے دستیاب وسائل کو بہترین انداز میں استعمال کرنے کی کوشش کر رہی ہے۔ انتظامیہ کی نیت مثبت ہے اور کمپنی کو revive کرنے کی صلاحیت رکھتی ہے۔

کمپنی اپنی ESG ذمہ داریوں سے آگاہ ہے اور دستیاب وسائل کے مطابق کوشش کرتی ہے۔

کمپنی اپنے دو ایگزیکٹو ڈائریکٹرز کو اجرت دیتی ہے۔

ڈائریکٹرز مالیاتی اداروں کے تعاون کے مشکور ہیں۔ کمپنی کے ملازمین داد کے مستحق ہیں کہ انہوں نے کمپنی کی بہتری کے لئے لگن اور محنت سے کام کیا۔



چیف ایگزیکٹو

راولپنڈی: 28 اکتوبر 2024

D.M. TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	NOTE	(Un-audited) 30 September 2024 Rupees	(Audited) 30 June 2024 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		50,000,000	50,000,000
5,000,000 (30 June 2023: 5,000,000) ordinary shares of Rupees 10 each			
Issued, subscribed and paid-up share capital		30,524,290	30,524,290
3,052,429 (30 June 2023: 3,052,429) ordinary shares of Rupees 10 each			
Reserves			
Capital reserves - surplus on revaluation of property plant and equipment and investment properties - net of deferred income tax	4	517,888,157	517,748,170
Revenue reserve - unappropriated profit		106,617,053	114,557,988
Total reserves		624,505,210	632,306,158
Total equity		655,029,500	662,830,448
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' retirement benefit - gratuity		5,131,993	5,131,993
CURRENT LIABILITIES			
Trade and other payables		120,880,745	114,632,205
Due to related parties	10	3,987,000	1,100,000
Unclaimed dividend		144,947	144,947
Taxation - net	5	558,365	2,479,133
		125,571,057	118,356,285
Total liabilities		130,703,050	123,488,278
CONTINGENCIES AND COMMITMENTS			
	6	-	-
TOTAL EQUITY AND LIABILITIES		785,732,550	786,318,726
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		290,641,411	291,173,261
Investment properties		363,921,975	363,921,975
Advance against property	7	-	-
Long term investment		7,688,165	7,526,915
Long term deposits		9,155,034	9,155,034
		671,406,585	671,777,185
CURRENT ASSETS			
Advances		215,600	194,600
Due from related party	8	17,619,962	17,619,962
Other receivables		20,000	20,000
Short term investments		94,289,381	94,467,876
Cash and bank balances		2,181,022	2,239,103
		114,325,965	114,541,541
TOTAL ASSETS		785,732,550	786,318,726

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 QUARTER ENDED 30 SEPTEMBER 2024

	(Un-audited) 30 September 2024 Rupees	(Un-audited) 30 September 2023 Rupees
ADMINISTRATIVE AND GENERAL EXPENSES	(15,838,184)	(15,260,416)
OTHER EXPENSES	-	-
	<u>(15,838,184)</u>	<u>(15,260,416)</u>
OTHER INCOME	8,043,309	9,618,734
LOSS FROM OPERATIONS	<u>(7,794,875)</u>	<u>(5,641,682)</u>
FINANCE COST	(6,073)	(631)
(LOSS) / PROFIT BEFORE LEVIES AND INCOME TAX	<u>(7,800,948)</u>	<u>(5,642,313)</u>
LEVIES	-	-
(LOSS) / PROFIT BEFORE INCOME TAX	<u>(7,800,948)</u>	<u>(5,642,313)</u>
TAXATION	-	-
(LOSS) / PROFIT FOR THE PERIOD	<u>(7,800,948)</u>	<u>(5,642,313)</u>
LOSS PER SHARE - BASIC AND DILUTED	<u>(2.56)</u>	<u>(1.85)</u>

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 QUARTER ENDED 30 SEPTEMBER 2024

	(Un-audited) 30 September 2024 Rupees	(Un-audited) 30 September 2023 Rupees
(LOSS) / PROFIT FOR THE PERIOD	(7,800,948)	(5,642,313)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period - net of tax	-	-
TOTAL COMPREHENSIVE LOSS FOR THE QUARTER	<u>(7,800,948)</u>	<u>(5,642,313)</u>

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 QUARTER ENDED 30 SEPTEMBER 2024

SHARE CAPITAL	CAPITAL RESERVE		REVENUE RESERVE		TOTAL EQUITY
	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX	FAIR VALUE RESERVE OF INVESTMENT PROPERTIES - NET OF DEFERRED INCOME TAX	REVENUE RESERVE - UNAPPROPRIATED PROFIT		
----- (Rupees) -----					
Balance as at 30 June 2023 - audited	30,524,290	268,612,032	308,408,697	40,642,162	648,187,181
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to unappropriated profit - net of	-	(597,860)	-	597,860	-
Fair value reserve transferred on disposal of investment property	-	-	(58,674,699)	58,674,699	-
Profit for the year	-	-	-	14,853,558	14,853,558
Other comprehensive income/(Loss) for the year	-	-	-	(210,291)	(210,291)
Total comprehensive income/(Loss) for the year	-	-	-	14,643,267	14,643,267
Balance as at 30 June 2024 - audited	30,524,290	268,014,172	249,733,998	114,557,988	662,830,448
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment to accumulated loss - net of deferred	-	139,987	-	(139,987)	-
Profit/(Loss) for the the period	-	-	-	(7,800,948)	(7,800,948)
Other comprehensive income for the period	-	-	-	(7,800,948)	(7,800,948)
Balance as at 30 September 2024 - un-audited	30,524,290	268,154,159	249,733,998	106,617,053	655,029,500

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 QUARTER ENDED 30 SEPTEMBER 2024

NOTE	(Un-audited)	(Un-audited)
	30 September 2024	30 September 2023
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (used in) / generated from operations	9 1,639,935	1,389,628
Finance cost paid	(6,073)	(1,340)
Income tax paid	(1,920,768)	(762,120)
Net cash (used in) / generated from operations	(286,906)	626,168
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	228,825	71,312
Net cash generated from / (used in) investing activities	228,825	71,312
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used in financing activities	-	-
Net decrease in cash and cash equivalents	(58,081)	697,480
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,239,103	4,253,329
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,181,022	4,950,809

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 FIRST QUARTER ENDED 30 SEPTEMBER 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 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 is situated at Westridge, Industrial Area, Rawalpindi. The principal activity of the Company is manufacturing of yarn and cloth, processing of 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.

1.2 Geographical location and addresses of all business units are as follows:

Manufacturing units and office	Address
Manufacturing units / Godowns	Westridge, Industrial Area, Rawalpindi
Head Office	Westridge, Industrial Area, Rawalpindi

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 with 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 2024. 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 2024.

3.1 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 2024.

D.M. TEXTILE MILLS LIMITED

4 CAPITAL RESERVE - SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES - NET OF DEFERRED INCOME TAX

	(Un-audited) 30 September 2024 Rupees	(Audited) 30 June 2024 Rupees
- Property, plant and equipment		
Opening balance	268,014,172	268,612,032
Surplus on revaluation of property, plant and equipment	-	-
Related deferred income tax liability	-	-
Transferred to unappropriated profit / (accumulated loss) in respect of incremental depreciation charged during the period / year	197,165	(842,056)
Related deferred income tax liability	(57,178)	244,196
	139,987	(597,860)
Balance as at 30 June	268,154,159	268,014,172
- Investment properties		
Revaluation surplus	249,733,998	313,858,182
Fair value reserve realized on disposal	-	(58,674,699)
Related deferred income tax liability	-	(5,449,485)
	249,733,998	249,733,998
	517,888,157	517,748,170

	(Un-audited) 30 September 2024 Rupees	(Audited) 30 June 2024 Rupees
5 TAXATION - NET		
Opening balance as at 01 July	2,479,133	6,988,489
Add: Provision for the period / year	-	3,059,888
Less: Tax deducted at source / paid during the period / year	(1,920,768)	(7,569,244)
	558,365	2,479,133

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies, as disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

7 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(2) 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.

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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 there from. 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 operations of the impugned judgement and decree dated 13 July 2023 until the next date of hearing. The matter is pending adjudication.

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.

The Company also filed an appeal before the Lahore High Court, Lahore Bench in May 2018 for detachment of the property, so that property can be transferred in the name of the Company, which is pending adjudication.

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 last hearing was held on 25 January 2024 and the matter is pending adjudication.

8 DUE FROM RELATED PARTY

It represents receivable from C.E.O against sale of property as more fully explained in Note 7. The maximum amount due from C.E.O at the end of any month during the year was Rupees 17.62 million (June 2024: Rupees 17.62 million) and is outstanding since 2016.

NOTE	(Un-audited)	(Un-audited)
	30 September 2024	30 September 2023
	Rupees	Rupees
9 CASH (USED IN) / GENERATED FROM OPERATIONS		
(LOSS) / PROFIT BEFORE LEVIES AND INCOME TAX	(7,800,948)	(5,642,313)
Adjustments for non-cash charges and other items:		
Depreciation	531,852	636,679
Provision for gratuity	-	-
Return on investment	(211,579)	(218,769)
Finance cost	6,073	631
Working capital changes	9,114,537	6,613,400
	<u>1,639,935</u>	<u>1,389,628</u>
9.1 Working capital changes		
Increase / (decrease) in current assets:		
Advances	(21,000)	10,000
Other receivables	-	500,000
	<u>(21,000)</u>	<u>510,000</u>
Increase / (decrease) in current liabilities		
Trade and other payables	6,248,537	5,242,513
Due to related parties	2,887,000	860,887
	<u>9,135,537</u>	<u>6,103,400</u>
	<u>9,114,537</u>	<u>6,613,400</u>

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10 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

	QUARTER ENDED	
	30 September 2024	30 September 2023
	Rupees	Rupees
Remuneration to Chief Executive Officer and directors	1,719,000	1,689,000
10 Mian Habib Ullah, Chairman		
Balance as at 01 July	-	-
Received during the Period	500,000	-
Paid during the Period	-	-
Period end balance	500,000	-
10 Mrs Riffat Habib		
Balance as at 01 July	-	-
Received during the Period	500,000	-
Paid during the Period	-	-
Period end balance	500,000	-
10 Sami Ullah, Chief Executive officer		
Balance as at 01 July	-	6,321,308
Received during the Period	1,437,000	180,887
Paid during the Period	-	(20,000)
Period end balance	1,437,000	6,482,195
10 Sam Corp (Private) Limited, associated company		
Balance as at 01 July	1,100,000	700,000
Received during the Period	-	-
Paid during the Period	-	-
Period end balance	1,100,000	700,000
10 DM Ventures, associate		
Balance as at 01 July	-	9,248,136
Received during the Period	450,000	700,000
Paid during the Period	-	-
Period end balance	450,000	9,948,136

11 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 financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classify 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 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.

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12 RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgments and estimates are made in determining the fair value of non-financial assets that are recognized and measured at fair value in these 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 30 September 2024	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Freehold land	-	273,220,000	-	273,220,000
Non factory buildings	-	8,166,950	-	8,166,950
Electric installations	-	2,053,350	-	2,053,350
Furniture, fixtures and office equipment	-	117,909	-	117,909
Vehicles	-	7,083,201	-	7,083,201
	-	290,641,410	-	290,641,410
Investment properties - land and building	-	363,921,975	-	363,921,975
Total non-financial assets	-	654,563,385	-	654,563,385

At 30 June 2024	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Freehold land	-	273,220,000	-	273,220,000
Non factory buildings	-	8,270,329	-	8,270,329
Electric installations	-	2,106,000	-	2,106,000
Furniture, fixtures and office equipment	-	120,932	-	120,932
Vehicles	-	7,456,000	-	7,456,000
	-	291,173,261	-	291,173,261
Investment properties - land and building	-	363,921,975	-	363,921,975
Total non-financial assets	-	655,095,236	-	655,095,236

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 operating fixed assets 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 installation.

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Valuation processes

The Company engages external, independent and qualified valuers to determine the fair value 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 2023 and 30 June 2024 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.

13 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 28 October, 2024.

14 CORRESPONDING FIGURES

No significant reclassification / rearrangement of corresponding figures have been made in these financial statements.

15 GENERAL

Figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER