

	<u>For the Nine Months Ended</u>		<u>For the Quarter Ended</u>	
	<u>Jul - Mar</u>	<u>Jul - Mar</u>	<u>Jan - Mar</u>	<u>Jan - Mar</u>
9 EARNING / (LOSS) PER SHARE - Basic and diluted	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Net Profit / (Loss) for the period (Rs)	<u>64,079</u>	<u>(262,863)</u>	<u>30,606</u>	<u>(38,349)</u>
Weighted average number of ordinary shares issued during the period (Nos)	<u>13,505</u>	<u>13,505</u>	<u>13,505</u>	<u>13,505</u>
Earning / (Loss) Per Share - Basic	<u>4.74</u>	<u>(19.46)</u>	<u>2.27</u>	<u>(2.84)</u>
	-----Rupees-----			
			<u>Jul to Mar</u>	<u>Jul to Mar</u>
10 RELATED PARTY TRANSACTIONS			<u>2013</u>	<u>2012</u>
			Rupees '000'	
Purchases - Raw Material/ Yarn			<u>44,418</u>	<u>37,830</u>
Sales - Yarn/ Waste/ Cotton			<u>119,979</u>	<u>8,960</u>
Provident fund			<u>3,778</u>	<u>3,831</u>
All transactions have been carried out on commercial terms and conditions and valued at arm's length price.				
11 DATE OF AUTHORIZATION FOR ISSUE	These financial statements were authorized for issue on April 26, 2013 by the Board of Directors of the Company.			
12 GENERAL	Figures have been rounded off to the nearest thousand rupees.			



Dewan Abdul Baqi Farooqui
Chief Executive



Dewan Abdul Rehman Farooqui
Director

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COMPANY INFORMATION

BOARD OF DIRECTORS	
Executive Directors	: Dewan Abdul Baqi Farooqui - Chief Executive Officer
Non-Executive Director	: Dewan Muhammad Yousuf Farooqui - Chairman Board of Directors Dewan Abdul Rehman Farooqui Mr. Haroon Iqbal Mr. Ishtiaq Ahmed Mr. Muhammad Baqir Jafferri
Independent Director	: Mr. Aziz-ul-Haque
AUDIT COMMITTEE	: Dewan Abdul Rehman Farooqui - Chairman Mr. Haroon Iqbal - Member Mr. Aziz-ul-Haque - Member
HUMAN RESOURCES & REMUNERATION COMMITTEE	: Dewan Muhammad Yousuf Farooqui - Chairman Dewan Abdul Baqi Farooqui - Member Mr. Haroon Iqbal - Member
AUDITORS	: Faruq Ali & Co. Chartered Accountants 222-A, K.M.C.H.S. Justice Inamullah Road, Near Hill Park, Karachi
COMPANY SECRETARY	: Syed Muhammad Salahuddin
CHIEF FINANCIAL OFFICER	: Mehmood ul Hassan Asghar
TAX ADVISOR	: Sharif & Co. Advocates
LEGAL ADVISOR	: A. K. Brohi & Co. Advocates
BANKERS	: Habib Bank Limited Standard Chartered Bank (Pakistan) Limited Meezan Bank Limited United Bank Limited Bank Al-Falah Ltd Silk Bank Limited NIB Bank Limited Summit Bank Limited Faysal Bank Limited MCB Bank Limited
REGISTERED OFFICE	: Finance & Trade Centre Block-A, 8th Floor, Shahrah-e-Faisal, Karachi.
SHARES REGISTRAR & TRANSFER AGENT	: BMF Consultants Pakistan (Private) Ltd. Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi-75350, Pakistan
FACTORY OFFICE	: H/20 & H/26, S.I.T.E., Kotri, District Dadu, Sind, Pakistan
WEBSITE	: www.yousufdewan.com

4.1 The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

4.2 Estimates and judgements made by management in the preparation of these condensed interim financial statements are the same as those were applied to the audited annual separate financial statements of the Company as at and for the year ended June 30, 2012.

5 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments since the last audited financial statements for the year ended June 30, 2012.

	(Un-Audited)	(Audited)
	Mar 31,	June 30,
	2013	2012
	Rupees '000'	
6 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	6.1 1,929,085	2,070,823
Capital work in progress - At cost	5,472	4,627
	<u>1,934,557</u>	<u>2,075,450</u>
6.2 Operating fixed assets		
Opening written down value	2,070,823	1,076,763
Additions during the period / year	7,339	36,967
Surplus on revaluation	-	1,100,857
Written down value of disposals	-	-
Depreciation during the period / year	(149,077)	(143,764)
Closing written down value	<u>1,929,085</u>	<u>2,070,823</u>
7 AVAILABLE FOR SALE INVESTMENT - At fair value		
In related party (associated company):		
Shares in Dewan Salman Fibre Ltd. (Public, quoted company)		
104,288,775 (June 30, 2012: 104,288,755) Fully paid up ordinary shares of Rs. 10/- each.	210,000	210,000
Surplus / (deficit) due to change in fair value	31,950	(38,966)
	<u>241,950</u>	<u>171,034</u>
Market value (Rupees per share)	<u>2.32</u>	<u>1.64</u>
Percentage of equity held	<u>28.47%</u>	<u>28.47%</u>
8 FINANCE COST		

Company has not made the provision of markup for the period amounting to Rs.13.149 million in respect of borrowings of certain banks who have not yet accepted the restructuring proposal. The Management of the company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the profit for the period and shareholders' equity would have been lower by Rs. 13.149 millions and accrued markup would have been higher by the same amount.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2013

1 THE COMPANY AND ITS OPERATIONS

The Company is a public limited company incorporated in Pakistan under the Companies Act 1913 (Now Companies Ordinance, 1984) and is listed on the Karachi and Lahore Stock Exchanges. The principal activity of the Company is manufacturing and sale of yarn. The company's registered office is located at 8th Floor, Block-A, Finance & Trade Centre, Shahrah-e-Faisal, Karachi.

2 BASIS OF PREPARATIONS

- 2.1 These condensed Interim financial statements of the company for the nine month period ended March 31, 2013 has been prepared in accordance with the requirements of International Accounting Standard 34 (IAS 34) "Interim Financial Reporting" and being submitted to the shareholders under section 245 of the Companies Ordinance 1984 and provision of the directive issued under the companies ordinance, 1984 and listing regulations of Karachi Stock Exchanges. In case where the requirements differ, the provisions of or directives issued under the companies ordinance, 1984 have been followed.
- 2.2 These condensed interim financial statements of the Company do not include all of the statements required for full annual financial statements and should be read in conjunction with the audited annual separate financial statements of the Company as at and for the year ended June 30, 2012.
- 2.3 These condensed interim financial statements are presented in Pak Rupees which is also the Company's functional and presentation currency and all figures have been rounded off to the nearest thousand rupees.
- 2.4 These condensed interim financial statements comprise of condensed interim Balance Sheet as at March 31, 2013 and the condensed Interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and the condensed interim cash flow statement for the nine months period ended March 31, 2013. These condensed interim financial statements also include the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2013.
- 2.5 The comparative balance sheet presented in these condensed interim financial statements has been extracted from the audited annual separate financial statements of the Company for the year ended June 30, 2012, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity have been extracted from the unaudited condensed interim financial statements for the period ended March 31, 2012. The comparative condensed Interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2012 is also included in these condensed interim financial statements.

3 ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited annual separate financial statements of the Company for the year ended June 30, 2012.
- 3.2 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company except where changes affected, presentation and disclosures have been made in these condensed interim financial statements.

4 ESTIMATES AND JUDGEMENTS

DIRECTORS' REPORT

**IN THE NAME OF ALLAH;
THE MOST GRACIOUS AND MERCIFUL**

IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

The Board of Directors of your Company is pleased to present condensed Interim Financial Statements of the company for the third quarter and nine months ended March 31, 2013, in compliance with requirements of section 245 of the Company's Ordinance 1984 and Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

The Economy

Pakistan is the 8th largest exporter of textile products in Asia. This sector contributes 9.5% to the GDP and provides employment to about 15 million people or roughly 30% of the 49 million workforce of the country.

Even with so many advantages, Pakistan's total share in global textile trade is less than 1%. The major hurdle in growth remains the ongoing energy crises which has resulted in under utilization of installed capacities and resultantly forced businesses to divert to expensive alternate energy resources.

The Company

During the period under review management of the company has achieved better performance that has been translated into improved results as compared to those of the last year for the same period. The highlights of the accounts for the nine months ended March 31, 2013 are as follows:

During the period under review, Company has achieved net sales of Rs 2.90 billion as compared to Rs. 2.28 billion of the corresponding period of last year. Company has earned gross profit of Rs. 203.61 million as compared to the gross loss of Rs. 96.25 million of corresponding period of last year. Operating expenses of the Company have increased by Rs. 23.65 million as compared to those of the comparable period of last year.

The results of the company would have shown more growth had there not been gas/electricity load shedding during the period. Rise in salaries & wages, boost in tariff of gas & electricity and hike in shipment costs have considerably increased the other costs of production. The results were also affected by the increase in prices of stores, spares and packing materials.

Future Outlook

Pakistani textile sector is competing in the region and trying to get maximum share of the Chinese textile market in the future. Official say that China will be no more competing with Pakistan in the realm of cotton yarn and denim fabric; while China has emerged as one of the biggest buyers of such items from Pakistan. However, the market share is basically dependent on government's ability to promote the textile sector while addressing power shortage to rejuvenate large scale industry manufacturing. As a whole the entire cotton and textile trade has been under incredible stress and the industry is encountering hardships in taking decisions with regard to its future plans. A prolonged electricity and gas shortage is also disturbing the economy in addition to the increasing cost of raw materials and other inputs. Such a situation will remain a challenge for the Company in future as well. Additionally, business environment severely needs improvements in political stability along with its safety.

Acknowledgement

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Ar-Rahim, in the name of our beloved Prophet Muhammad (peace be upon him) for the continued showering of his blessings, guidance, strength, health, and prosperity to us, our company, country and nation; and also pray to Almighty Allah to bestow peace, harmony, brotherhood, and unity in true Islamic spirit to whole of the Muslim Ummah; Ameen; Summa Ameen.

Under Authority of the Board of Directors



Dewan Abdul Baqi Farooqui
Chief Executive

Karachi: April 26, 2013

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2013

	Issued Subscribed and Paid up Capital	General reserve	Unrealized gain / (loss) due to change in fair value of Investment	Accumulated Loss	Total
	Rupees in '000'				
Balance as at July 01, 2011	135,046	333,000	113,675	(566,576)	15,145
Total comprehensive income for the period	--	--	(57,359)	(262,863)	(320,222)
Balance as at March 31, 2012	135,046	333,000	56,316	(829,439)	(305,077)
Balance as at July 01, 2012	135,046	333,000	12,515	(881,802)	(401,241)
Total comprehensive income / (loss) for the period					
- Profit / (Loss) for the period	--	--		64,079	64,079
- Changes in fair values of available for sale investments			70,916		70,916
Transfer from surplus on revaluation of property, plant and equipment in respect of incremental depreciation - net of tax				47,092	47,092
	--	--	70,916	111,171	182,087
Balance as at March 31, 2013	135,046	333,000	83,431	(770,631)	(219,154)

The annexed notes form an integral part of the interim condensed financial information.



Dewan Abdul Baqi Farooqui
Chief Executive



Dewan Abdul Rehman Farooqui
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE NINE MONTHS ENDED MARCH 31, 2013

	9 months ended March 31, 2013	9 months ended March 31, 2012
	Rupees in '000'	
Cash Flow from Operating Activities		
Profit / (Loss) before taxation	59,782	(239,895)
Adjustment for non-cash and other items		
Depreciation	149,077	82,025
Provision for gratuity	7,475	7,825
Finance cost	86,814	99,947
	243,366	189,797
Changes in Operating Assets and Liabilities	303,148	(50,098)
(Increase) / Decrease in Current Assets		
Stores and spares	4,364	403
Stock in trade	(223,759)	(85,650)
Trade debtors - Considered good	152,632	63,955
Advances - Considered good	(24,906)	39,733
Short term deposits and current account balances with statutory authorities	(17,005)	(15,037)
Increase / (Decrease) in Current Liabilities	-	-
Trade creditors, payable & others borrowings	(25,466)	266,724
	(134,140)	270,128
Payments for		
Income tax - net	(38,531)	(18,281)
Gratuity	(9,773)	(8,715)
	(48,304)	(26,996)
Net cash (outflow) / inflow from operating activities	120,704	193,034
Cash Flow from Investing Activities		
Fixed capital expenditures	(8,184)	(7,492)
Long term deposit	-	2,383
Net cash outflow from investing activities	(8,184)	(5,109)
Cash Flow from Financing Activities		
Long term financing	(58,362)	(113,821)
Financial cost paid	(82,549)	(89,997)
Net cash inflow / (outflow) from financing activities	(140,911)	(203,818)
Net decrease in cash and cash equivalents	(28,391)	(15,893)
Cash and cash equivalents at beginning of the period	31,735	19,386
Cash and cash equivalents at end of the period	3,344	3,493

The annexed notes form an integral part of the interim condensed financial information.



Dewan Abdul Baqi Farooqui
Chief Executive



Dewan Abdul Rehman Farooqui
Director

CONDENSED INTERIM BALANCE SHEET
 AS AT MARCH 31, 2013

	Note	(Un - Audited) March 31, 2013	(Audited) June 30, 2012
Rupees in '000'			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital (30,000,000 ordinary shares of Rs.10/- each)		300,000	300,000
Issued, subscribed and paid up capital		135,046	135,046
Accumulated deficit		(354,200)	(536,288)
		(219,154)	(401,242)
Surplus on revaluation of property plant and equipment		772,815	819,907
NON CURRENT LIABILITIES			
Long term financing - Secured		3,344,553	3,687,994
Deferred liability for staff gratuity		25,168	27,466
Deferred Tax		221,943	247,300
CURRENT LIABILITIES			
Trade and other payables		225,760	364,535
Markup accrued		48,882	44,617
Short term borrowings - Secured		588,236	474,928
Current portion of long term financing		365,079	80,000
Current and overdue portion of lease liabilities		41,185	41,186
		1,269,142	1,005,266
CONTINGENCIES AND COMMITMENTS	5	--	--
		5,414,467	5,386,691
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	1,934,557	2,075,450
Available for sale investment - At fair value	7	241,950	171,034
Long term deposits		7,800	7,800
CURRENT ASSETS			
Stores and spares		41,770	46,134
Stock in trade		1,591,702	1,367,943
Trade debtors - Considered good		1,421,998	1,574,630
Advances - Considered good		55,637	30,731
Short term deposits and current account balances with statutory authorities		85,021	68,016
Taxes recoverable - Net		30,688	13,218
Cash and bank balances		3,344	31,735
		3,230,160	3,132,407
		5,414,467	5,386,691

The annexed notes form an integral part of the interim condensed financial information.



Dewan Abdul Baqi Farooqui
Chief Executive




Dewan Abdul Rehman Farooqui
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
 FOR THE NINE MONTHS AND THIRD QUARTER ENDED MARCH 31, 2013

Note	9 months		3 months	
	Jul - Mar 2013	Jul - Mar 2012	Jan - Mar 2013	Jan - Mar 2012
	Rupees in '000'			
Sales - Net	2,900,081	2,277,246	1,000,823	893,259
Cost of sales	(2,696,469)	(2,373,491)	(925,759)	(871,580)
Gross Profit / (Loss)	203,612	(96,245)	75,064	21,679
Operating Expenses				
Selling & distribution expenses	(35,103)	(12,538)	(6,160)	(7,421)
Administrative expenses	(34,664)	(33,577)	(10,616)	(14,497)
	(69,767)	(46,115)	(16,776)	(21,918)
Operating Profit / (Loss)	133,845	(142,360)	58,288	(239)
Other Charges / Income				
Finance cost	(86,814)	(99,947)	(34,621)	(30,369)
Other income	12,751	2,412	5,753	1,327
	(74,063)	(97,535)	(28,868)	(29,042)
Profit / (Loss) before taxation	59,782	(239,895)	29,420	(29,281)
Taxation				
Current	(21,060)	(22,968)	(7,266)	(9,068)
Deferred	25,357	--	8,452	--
	4,297	(22,968)	1,186	(9,068)
Profit / (Loss) after taxation	64,079	(262,863)	30,606	(38,349)
Earning / (Loss) per share - Basic and diluted (Rupees)	4.74	(19.46)	2.27	(2.83)

The annexed notes form an integral part of the interim condensed financial information.



Dewan Abdul Baqi Farooqui
Chief Executive



Dewan Abdul Rehman Farooqui
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE NINE MONTHS AND THIRD QUARTER ENDED MARCH 31, 2013

	9 months		3 months	
	Jul - Mar 2013	Jul - Mar 2012	Jan - Mar 2013	Jan - Mar 2012
	Rupees in '000'			
Profit / (Loss) for the period	64,079	(262,863)	30,606	(38,349)
Other comprehensive income:				
Available for sale financial assets:				
- Changes in fair value	70,916	(57,359)	(14,980)	88,646
Transfer from surplus on revaluation of property plant and equipment in respect of :				
Incremental depreciation	72,449	--	24,150	--
Related deferred tax	(25,357)	--	(8,452)	--
	47,092	--	15,697	--
Total Comprehensive Income / (Loss) for the period	182,087	(320,222)	31,323	50,297

The annexed notes form an integral part of the interim condensed financial information.



Dewan Abdul Baqi Farooqui
Chief Executive



Dewan Abdul Rehman Farooqui
Director