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**Nine Month Ended Report
July 2013, March 31, 2014**



DAWOOD EQUITIES LIMITED

COMPANY INFORMATION

Board of Directors	Abdul Aziz Habib (Chairman) Non Executive Director Mr. Abdul Qadir Sakhi (Chief Executive) Executive Director Mr. Khalid Yousuf (Non executive Director) Mr. Junaid Zakaria Dada (Independent Director) Mr. Asim Iftekhar Yakoob (Independent Director) Ms. Rubina Khanum (Independent Director) Syed Muhammad Abbas (Non Executive Director)
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Chief Financial Officer & Company Secretary	Mr. Salman Yaqoob
Audit Committee	Mr. Junaid Zikaria Dada - Chairman Mr. Asim Iftekhar Yakoob Rubina Khanum
HR & R Committee	Syed Muhammad Abbas Junaid Zakaria Dada Abdul Aziz Habib
Auditor	Haroon Zakaria & Co.
Legal Advisor	Rauf & Ghaffar Law Associates
Bankers	Bank Al Habib Limited Habib Metropolitan Bank Limited Bank Al Falah Limited Bank Islami Pakistan Limited Burj Bank Limited Arif Habib Bank Limited MCB Bank Limited
Website	www.dawoodequities.com
Registered Head Office	1900-B Saima Trade Towers, I.I. Chundrigar Road, Karachi. Phone No. 021-32271881-1883 Fax No. 021-32275086
Registered Branch Office	Room-810, 8th Floor, KSE Building, Stock Exchange Road, Karachi. Phone No. 021-32474028 Fax No. 021-32418873 1st Floor, Chang Chamber, Saddar Bazar, Cantonment, Hyderabad. Tel: (92-22) 2783856 Fax: (92-22) 3864718
Share Registrar	F.D Registrar Services(SMC-Pvt) Ltd 1705 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi. Phone No. 021-35478192-93 Fax. 021-32621233



DAWOOD EQUITIES LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders

On the behalf of The Directors of Dawood Equities Limited (the "Company") I am pleased to present herewith the un-audited financial statements for the nine month ended March 31, 2014.

FINANCIAL RESULT

During the period under review the Company reported a profit of Rs. 7.12 million as compared to Rs. 1.48 million for the corresponding period last year. Earnings per share for the nine month ended March 31, 2014 are Rs. 0.29 as compared to Rs.0.06 for the same period of last year.

The summary of comparative financial performance is given below:

OPERATING RESULTS	MARCH 31 2014 Rupees	MARCH 31 2013 Rupees
Net Revenue	10,687,717	4,289,224
Capital gain on disposal of investments	816,509	-
Gain / (Loss) on re-measurement of investments at fair value through profit & loss	1,415,447	1,825,543
Administrative Expenses	(8,741,108)	(5,197,041)
Financial Charges	(62,320)	(49,057)
Other Operating Income	1,441,305	662,350
Profit / (loss) before tax	7,312,150	1,531,019
Taxation	(185,761)	(43,877)
Profit / (loss) after tax	7,126,389	1,487,142
Gain per share basic and diluted	0.29	0.06

ACKNOWLEDGEMENTS

We are grateful to the Company's stakeholders for their continuing confidence and patronage. We record our appreciation and thanks to our Bankers, Business Partners/Clients, the Securities & Exchange Commission of Pakistan, the management of Karachi Stock Exchange Limited, Central Depository Company of Pakistan and the National Clearing Company of Pakistan for their support and guidance.

On behalf of the Board

Abdul Qadir Sakhi
Chief Executive Officer

Karachi: April 24, 2014



DAWOOD EQUITIES LIMITED

Condensed Interim Balance Sheet (Un-Audited) As At March 31, 2014

		(Un-audited) March 31, 2014 Rupees	(Audited) June 30, 2014 Rupees
ASSETS			
Non-Current Assets			
Property and equipments	5	1,333,770	30,580
Intangible assets	6	21,731,318	21,948,818
Long term Investment - available for sale	7	40,073,830	36,336,182
Long term deposit		1,137,500	1,137,500
Deferred tax asset		-	-
		64,276,418	59,453,080
Current Assets			
Short term investments	8	57,182,965	49,882,302
Trade debts		75,511,142	63,394,016
Accrued income		-	-
Loans and advances		-	5,000
Deposits and prepayments		5,625,000	830,454
Other receivables		7,089,769	4,611,563
Tax refunds due from government		3,559,923	2,961,607
Cash and bank balances		937,407	1,778,849
		149,906,206	123,463,791
Total Assets		214,182,624	182,916,871
EQUITY AND LIABILITIES			
Capital and Reserves			
Authorized Share Capital			
30,000,000 Ordinary shares of Rs.10 each		300,000,000	300,000,000
Issued, subscribed and paid up capital		249,965,000	249,965,000
Reserves		(81,749,822)	(88,876,211)
		168,215,178	161,088,789
Unrealized gain on re- measurement of investment available for sale at par value		3,737,648	-
		171,952,826	161,088,789
Current Liabilities			
Trade and other payables		42,229,798	21,828,082
Contingencies	9	-	-
Total Equity and Liabilities		214,182,624	182,916,871

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

Chief Executive

Director



DAWOOD EQUITIES LIMITED

Condensed Interim Profit And Loss Account (Unaudited) For The Nine Month Period Ended March 31, 2014

	Nine Month Ended		Quarter Ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	Rupees			
Operating revenue	10,687,717	4,289,224	5,718,385	1,630,537
Capital gain / (loss) on disposal of investments - net	816,509	-	340,205	-
Profit / (loss) on remeasurement of investments carried at fair value through profit and loss	1,415,447	1,825,543	1,486,633	(41,477)
	12,919,673	6,114,767	7,545,223	1,589,060
Administrative expenses	(8,741,108)	(5,197,041)	(3,458,621)	(1,539,916)
	4,178,565	917,726	4,086,601	49,144
Other operating income	1,441,305	662,350	105,021	477,905
Reversal of provision	1,754,600	-	98,425	-
Financial charges	(62,320)	(49,057)	(16,451)	(12,486)
Profit before taxation	7,312,150	1,531,019	4,273,597	514,563
Taxation				
Current taxation	(185,761)	(43,877)	(53,958)	(11,704)
	(185,761)	(43,877)	(53,958)	(11,704)
Profit after taxation	7,126,389	1,487,142	4,219,639	502,859
Earning per share - basic and diluted	0.29	0.06	0.17	0.02

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

Chief Executive

Director



DAWOOD EQUITIES LIMITED

Condensed Interim Statement Of Comprehensive Income (unaudited) For The Nine Month Period Ended March 31, 2014

	<i>Nine Months ended</i>		<i>Quarter Ended</i>	
	<i>March 31, 2014</i>	<i>March 31, 2013</i>	<i>March 31, 2014</i>	<i>March 31, 2013</i>
	----- Rupees -----			
Profit for the period	7,126,389	1,487,142	4,219,639	502,859
Other comprehensive income	-	-	-	-
Other comprehensive income	-	-	-	-
Unrealized gain on re- measurement of investment available for sale at par value	3,737,648		3,737,648	
Total comprehensive income	10,864,037	1,487,142	7,957,287	502,859

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

Chief Executive

Director



DAWOOD EQUITIES LIMITED

Condensed Interim Cash Flow Statement (Unaudited) For The Nine Month Period Ended March 31, 2014

	<i>(Un-audited) March 31, 2014 Rupees</i>	<i>(Un-audited) March 31, 2013 Rupees</i>
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	7,312,150	1,531,019
Adjustment for non cash items:		
Depreciation	122,110	59,766
Other income	(1,441,305)	(258,442)
Dividend income	(993,703)	(296,456)
(Gain) / Loss on remeasurement of investment		(1,825,543)
Capital (gain) / Loss on disposal of investment		(60,196)
Amortization	217,500	145,002
Financial charges	62,320	49,057
	(2,033,078)	(2,186,812)
	5,279,072	(655,793)
Increase / (Decrease) in current assets		
Trade debts	(12,117,126)	17,266,349
Loans and advances	5,000	(95,500)
Deposits and prepayments	(4,794,546)	(143,850)
Other receivables	(2,478,206)	(2,015,470)
	(19,384,878)	15,011,529
Increase in current liabilities		
Trade and other payables	20,401,716	(20,497,185)
	6,295,910	(6,141,449)
Cash flows after working capital changes		
Financial charges paid	(62,320)	(49,057)
Taxes paid	(784,077)	(261,245)
	(846,397)	(310,302)
Net cash generated from / (used in) operating activities	5,449,513	(6,451,751)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt against other income	1,441,305	258,442
Addition in fixed assets	(1,425,300)	
Receipt against dividend income	993,703	296,456
Short term investment	(7,300,663)	40,817
Net cash used in investing activities	(6,290,955)	595,715
Net increase / (decrease) in cash and cash equivalents (A+B)	(841,442)	(5,856,036)
Cash and cash equivalents at the beginning of the period	1,778,849	9,556,177
Cash and cash equivalents at the end of the period	937,407	3,700,141
Cash and cash equivalents comprise of:		
Cash and bank balances	937,407.00	3,700,141
Short term running finance	-	-
Short term investment	-	-
	937,407.00	3,700,141

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

Chief Executive

Director



DAWOOD EQUITIES LIMITED

Condensed Interim Statement Of Changes In Equity (Unaudited)

For The Nine Month Period Ended March 31, 2014

Description	Issued, subscribed and paid up capital	Reserves		Total	Total equity
		Capital Share premium	Revenue Unappropriated loss		
----- Rupees -----					
Balance as at July 01, 2012	249,965,000	74,973,750	(168,731,430)	(93,757,680)	156,207,320
Comprehensive income for the period ended July - March 2013	-	-	1,487,142	1,487,142	1,487,142
Balance as at March 31, 2013	249,965,000	74,973,750	(167,244,288)	(92,270,538)	157,694,462
Balance as at April 01, 2013	249,965,000	74,973,750	(167,244,288)	(92,270,538)	157,694,462
Comprehensive income for the period ended April - June 2013	-	-	3,394,327	3,394,327	3,394,327
Balance as at June 30, 2013	249,965,000	74,973,750	(163,849,961)	(88,876,211)	161,088,789
Balance as at July 01, 2013	249,965,000	74,973,750	(163,849,961)	(88,876,211)	161,088,789
Comprehensive income for the period ended July - March 2014	-	-	10,864,037	10,864,037	10,864,037
Balance as at March 31, 2014	249,965,000	74,973,750	(152,985,924)	(78,012,174)	171,952,826

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

Chief Executive

Director



DAWOOD EQUITIES LIMITED

Notes To The Financial Statements (Unaudited)

For The Nine Month Period Ended March 31, 2014

1 NATURE AND STATUS OF BUSINESS

DAWOOD EQUITIES LIMITED (the Company) was incorporated in Pakistan as an unquoted public limited company on May 3, 2006 under the Companies Ordinance, 1984. The Company commenced commercial operations from October 03, 2006. Subsequently the Company obtained listing on the Karachi Stock Exchange (Guarantee) Limited on April 14, 2008. The registered office of the Company is situated at 1900-B, Saima Trade Towers, I.I. Chundrigar Road, Karachi. The Company's principal business is trading and brokerage of listed equities, underwriting and other investments.

2 BASIS OF PRESENTATION

2.1 Statement of Compliance

This condensed interim financial report of the company for the six months period ended December 31, December 31, has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial report is unaudited but subject to limited scope review by auditors. This condensed interim financial report do not include all of the information and disclosures required in the financial statements and should be read in conjunction with the Company's annual financial statements for the year", ended June 30, 2013

2.2 Functional and Presentation Currency

This condensed interim financial report has been presented in Pakistan Rupees, which is the functional currency of the Company.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report is the same as those applied in the preparation of the financial statements for the year ended June 30, 2013

Available for sale investments for which reliable estimate of market value is not available are measured at cost.

Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2013 but are considered not to be relevant or have any significant effect on the Company's operation and are therefore not detailed in this condensed interim financial report.

4 ESTIMATES

The preparation of this condensed interim financial report in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing this condensed interim financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June, 2013

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2013

Note	(Un-audited) March 31, 2014 Rupees	(Audited) June 30, 2013 Rupees
5 PROPERTY AND EQUIPMENT		
Opening net book value	30,580	71,013
Add: Additions	1,425,300	33,360
Less: Disposals-net		
Cost	334,100	-
Depreciation	(334,100)	-
Depreciation	(122,110)	(73,793)
Closing net book value	1,333,770	30,580
6 INTANGIBLE ASSETS		
Computer software	42,500	260,000
TREC and KSE room	21,688,818	21,688,818
	21,731,318	21,948,818
7 LONG TERM INVESTMENT		
- Available for sale	36,336,182	36,336,182
Unrealized gain on re- measurement at par value	3,737,648	-
	40,073,830	36,336,182



DAWOOD EQUITIES LIMITED

Notes To The Financial Statements (Unaudited) For The Nine Month Period Ended March 31, 2014

7.1 This represents shares of Karachi Stock Exchange Limited (KSEL) acquired in pursuance of corporatization and demutualization of KSEL as a public company limited by shares. As per the arrangements the authorized and paid-up capital of KSEL is Rs.10,000,000,000 and Rs.8,014,766,000 respectively with a par value of Rs. 10 each. The paid-up capital of KSEL is equally distributed among 200 members of KSEL by issuance of 4,007,383 shares to each member in the following manner:

1. 40% of the total shares allotted (i.e. 1,602,953 shares) are transferred in the House Account - CDC of each initial shareholder;
2. 60% of the total shares (i.e. 2,404,430 shares) have been deposited in a sub-account in Company's name under KSEL's participant ID with CDC which will remain blocked until they are divested to strategic investor(s), general public and financial institutions.

Right to receive distributions and sale proceed against 60% shares in the blocked account shall vest in the initial shareholder, provided that bonus and right shares (if any) shall be transferred to blocked account and disposed off with the blocked shares.

Right to vote against blocked shares shall be suspended till the time of sale. The shares of KSEL shall be listed within such time as the SECP may prescribe in consultation with the Board of Directors of KSEL.

In the absence of an active market of the shares of KSE and TREC, the allocation of the carrying value of the membership card of Rs. 50 million between the shares (financial asset) and TREC (an intangible asset) has been made by the company on the basis of similar ratio as between TREC and shares of KSEL in the base minimum capital requirement.

In view of dividends received from Karachi Stock Exchange Limited (KSEL) for the period ended June 30, 2013 and December 31, 2013, the shares of KSEL are now carried at par value of Rs. 10 per share against previous value of Rs 9.07 per share and assume that its fair value is not less than par value. The assumption is made on the basis of dividends received which indicates that company's share in future profits will at a minimum increase the company's share to the par value of company's holding.

	Note	(Un-audited) March 31, 2014 Rupees	(Audited) June 30, 2013 Rupees
8 SHORT TERM INVESTMENTS			
In related parties		39,981,416	40,452,631
Others		17,201,549	9,429,671
		57,182,965	49,882,302

9 CONTINGENCIES

The status of contingencies as were reported in the financial statements for the year are given below:

- 9.1 The Company has filed a suit in the Honorable Sindh High Court Karachi against one of its corporate client against recovery of Rs.75.436 million and proceedings are in process. Currently negotiations outside court is in process and therefore no further provision during current year has been made and management believes that provision of Rs. 28.672 million is sufficient.
- 9.2 Compromise decree has been passed by the Honorable High Court of Sindh regarding fully provided balance of Mr.Abbas Qurban of Rs. 30.33 million. The amount of Rs. 1.6 million will be recovered through Provident Fund balance of Mr. Abbas Qurban with the First Dawood Investment Bank Limited. The remaining balance will be receivable in equal monthly installment of Rs. 15,000 per month until fully recovered. The provision will be reversed in the similar pattern as recovery occurs.

10 TRANSACTION WITH RELATED PARTIES

Related parties comprises of major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefits fund, directors, key management personal and their close family members.

	(Un-Audited) Nine Month Ended		(Un-Audited) Quarter ended	
	March 31, 2014 Rupees	March 31, 2013 Rupees	March 31, 2014 Rupees	March 31, 2013 Rupees
Commission earned from brokerage transactions with member companies and key management personnel of members companies	856,577	-	472,449	-
Expenses paid to member companies	99,000	-	33,000	-

11 DATE FOR AUTHORIZATION FOR ISSUE

The Board of Directors of the Company authorized these interim financial statements for issue on April 24, 2014.

12 GENERAL

Amounts have been rounded off to the nearest rupee unless otherwise stated.

Chief Executive

Director

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If undelivered, please return to:

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1900-B, Saima Trade Towers
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