



DAWOOD EQUITIES LIMITED

**For The Six Month Period Ended
December 31, 2014
(Un-Audited)**

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DAWOOD EQUITIES LIMITED

CORPORATE OBJECTIVE

Our Vision

Our vision is to be leader of “Brokerage Industry” in Pakistan with a passion to endeavor maximum business opportunities. We strive to deliver results and perform to the highest standards

Our Mission

Our mission is to become a competitive, dynamic and growing brokerage house that provides competitive services, identifies investment opportunities and develops research based data and information.



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 Iftekhhar Yakoob (Independent Director) Ms. Rubina Khanum (Independent Director) Syed Muhammad Abbas (Non Executive Director)
Chief Financial Officer & Company Secretary	Mr. Salman Yaqoob
Audit Committee	Mr. Junaid Zikaria Dada - Chairman Mr. Asim Iftekhhar 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 Summit Bank Limited MCB Bank Limited
Internal Audit	Sajid & Company
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 half year ended December 31, 2014.

FINANCIAL RESULT

During the period under review the Company's net revenue increased by 30.6% as compared to last year whereas the administrative expenses remain in tight control. Operation profit rose to Rs 2.7 million as compared to Rs.0.2 million in corresponding period last year. Profit before tax has been increased to Rs.3.14 million as compared to 3.0 million in same period of last year.

The summary of comparative financial performance is given below:

OPERATING RESULTS	DECEMBER 31 2014 Rupees	DECEMBER 31 2013 Rupees
Gross Revenue	10,869,909	10,434,702
Net Revenue	6,631,639	5,074,611
Capital gain on disposal of investments	1,441,312	476,304
Gain / (Loss) on re-measurement of investments at fair value through profit & loss	(59,714)	(71,186)
Administrative Expenses	(5,312,188)	(5,282,487)
Financial Charges	(33,710)	(45,869)
Other Operating Income	381,947	1,231,004
Profit / (loss) before tax	3,139,186	3,038,553
Taxation	(339,873)	(131,803)
Profit / (loss) after tax	2,799,313	2,906,750
Gain per share basic and diluted	0.11	0.12

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: February 12, 2015



DAWOOD EQUITIES LIMITED

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF
CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS**

Dear Shareholders

On the behalf of The Directors of **Dawood Equities Limited** (the "Company") I am pleased to present herewith

Introduction

We have reviewed the accompanying condensed interim balance sheet of Dawood Equities Limited as at December 31, 2014 and the related 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 together with the condensed notes forming part thereof (here-in-after referred to as the "Interim financial information") for the six month period ended December 31, 2014. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed profit and loss account for the quarters ended December 31, 2014 and 2013 have not been reviewed as we are required to review only the cumulative figures for the six months period ended December 31, 2014.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the annexed interim financial information are not presented fairly, in all materials respects, in accordance with approved accounting standards as applicable in Pakistan.

Emphasis of Matter

We draw attention of the users of the interim financial information to the Note 12.1 of the interim financial information which describes uncertainty related to the outcome of the suit filed by the company against one of its corporate client for the recovery of Rs.75.436 million. The ultimate outcome of the matter cannot presently be determined and provision is made to the extent that management expects will be irrecoverable.

Our report is not qualified in respect of this matter.

Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated:

Engagement Partner:
Farhan Ahmed Memon



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2014**

		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>December 31,</i>	<i>June 30,</i>
		<i>2014</i>	<i>2014</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
<u>ASSETS</u>			
Non-Current Assets			
Property and equipments	5	301,261	342,779
Intangible assets	6	13,663,818	13,663,818
Long term Investment - available for sale	7	40,073,830	40,073,830
Long term deposit		1,137,500	1,137,500
Deferred tax asset	8	-	-
		<u>55,176,409</u>	<u>55,217,927</u>
Current Assets			
Short term investments	9	43,912,770	52,860,491
Trade debts	10	85,771,868	75,725,029
Deposits and prepayments		4,668,416	6,353,097
Other receivables		20,271,531	19,423,041
Tax refunds due from government		4,935,090	4,113,121
Cash and bank balances		117,210	3,102,023
		<u>159,676,885</u>	<u>161,576,802</u>
Total Assets		<u><u>214,853,294</u></u>	<u><u>216,794,729</u></u>
<u>EQUITY AND LIABILITIES</u>			
Capital and Reserves			
Authorized Share Capital			
30,000,000 Ordinary shares of Rs.10 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid up capital		249,965,000	249,965,000
Reserves		<u>(71,408,921)</u>	<u>(74,208,234)</u>
		178,556,079	175,756,766
Current Liabilities			
Trade and other payables	11	36,297,215	41,037,963
Contingencies	12	-	-
Total Equity and Liabilities		<u><u>214,853,294</u></u>	<u><u>216,794,729</u></u>

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

Chief Executive

Director



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

	Note	<i>Half year ended</i>		<i>Quarter Ended</i>	
		<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>	<i>December 31,</i>
		<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
		----- Rupees -----			
Operating revenue	13	6,631,639	5,074,612	4,102,981	2,628,007
Capital gain / (loss) on disposal of investments - net		1,441,212	476,304	1,078,470	223,171
Profit / (loss) on remeasurement of investments carried at fair value through profit and loss		(59,714)	(71,186)	(69,683)	926,440
		8,013,137	5,479,730	5,111,768	3,777,618
Administrative expenses		(5,312,188)	(5,282,487)	(2,909,982)	(2,878,225)
		2,700,949	197,243	2,201,786	899,393
Other operating income		381,947	1,231,004	304,778	378,503
Reversal of provision	12.2	90,000	1,656,175	45,000	1,656,175
Bank charges		(33,710)	(45,869)	(9,642)	(20,790)
Profit before taxation		3,139,186	3,038,553	2,541,922	2,913,281
Current taxation		(339,873)	(131,803)	(339,873)	(131,803)
Profit after taxation		2,799,313	2,906,750	2,202,049	2,781,478
Earning per share - basic and diluted		0.11	0.12	0.09	0.11

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



Chief Executive



Director



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

	<i>Half year ended</i>		<i>Quarter Ended</i>	
	<i>December 31, 2014</i>	<i>December 31, 2013</i>	<i>December 31, 2014</i>	<i>December 31, 2013</i>
	----- Rupees -----			
Profit for the period	2,799,313	2,906,750	2,202,049	2,781,478
Other comprehensive income	-	-	-	-
Total comprehensive income	2,799,313	2,906,750	2,202,049	2,781,478

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



Chief Executive



Director



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

	<i>(Un-audited)</i> <i>December 31,</i> <i>2014</i> <i>Rupees</i>	<i>(Un-audited)</i> <i>December 31,</i> <i>2013</i> <i>Rupees</i>
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,139,186	3,038,553
Adjustment for non cash items:		
Depreciation	52,218	45,526
Other income	(381,947)	(1,336,284)
Dividend income	(814,334)	(740,650)
Gain on disposal of fixed assets	-	(250,000)
Amortization	-	145,000
Financial charges	33,710	45,869
	<u>(1,110,353)</u>	<u>(2,090,539)</u>
	2,028,833	948,014
(Increase) / Decrease in current assets		
Trade debts	(10,046,839)	2,733,284
Loans and advances	-	5,000
Deposits and prepayments	1,684,681	(1,131,566)
Other receivables	(848,490)	(273,526)
	<u>(9,210,648)</u>	1,333,192
Increase in current liabilities		
Trade and other payables	(4,740,748)	29,411,101
	<u>(11,922,563)</u>	31,692,307
Cash flows after working capital changes		
Financial charges paid	(33,710)	(45,869)
Taxes paid	(1,161,842)	(126,063)
	<u>(1,195,552)</u>	(171,932)
Net cash (used in) / generated from operating activities	<u>(13,118,115)</u>	31,520,375
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt against other income	381,947	1,336,284
Receipt against disposal of fixed assets	-	250,000
Addition in fixed assets	(10,700)	(1,314,100)
Receipt against dividend income	814,334	740,650
Short term investment	8,947,721	(6,662,804)
Net cash generated from / (used in) investing activities	<u>10,133,302</u>	(5,649,970)
Net (decrease) / increase in cash and cash equivalents (A+B)	<u>(2,984,813)</u>	25,870,405
Cash and cash equivalents at the beginning of the period	<u>3,102,023</u>	1,778,849
Cash and cash equivalents at the end of the period	<u>117,210</u>	<u>27,649,254</u>

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



Chief Executive



Director



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

	<i>Issued, subscribed and paid up capital</i>	<i>Reserves</i>			<i>Total</i>	<i>Total equity</i>
		<i>Capital</i>		<i>Revenue</i>		
		<i>Gain/(loss) on remeasurement of AFS investment</i>	<i>Share premium</i>	<i>Unappropriated loss</i>		
<i>----- Rupees -----</i>						
Balance as at July 01, 2013	249,965,000	-	74,973,750	(163,849,961)	(88,876,211)	161,088,789
Profit for the period	-	-	-	2,906,750	2,906,750	2,906,750
Balance as at December 31, 2013	249,965,000	-	74,973,750	(160,943,211)	(85,969,461)	163,995,539
Balance as at July 01, 2014	249,965,000	3,737,648	74,973,750	(152,919,632)	(74,208,234)	175,756,766
Profit for the period	-	-	-	2,799,313	2,799,313	2,799,313
Balance as at December 31, 2014	249,965,000	3,737,648	74,973,750	(150,120,319)	(71,408,921)	178,556,079

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



Chief Executive



Director



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 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, 2014 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, 2014.

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, 2014.

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, 2014 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.



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

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, 2014.

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, 2014.

	<i>Note</i>	<i>(Un-audited) December 31, 2014 Rupees</i>	<i>(Audited) June 30, 2014 Rupees</i>
5 PROPERTY AND EQUIPMENT			
Opening net book value		342,779	30,580
Add: Additions		10,700	1,425,300
Less: Disposals-net			
Cost	5.1	-	(1,368,100)
Depreciation		-	403,033
		-	(965,067)
Depreciation		(52,218)	(148,034)
Closing net book value		<u>301,261</u>	<u>342,779</u>
5.1 Following disposals of assets at cost were made during the period			
800 CC Mehran - AMX 081		-	334,100
Cultus - SFE410 VXR		-	1,034,000
		-	<u>1,368,100</u>
6 INTANGIBLE ASSETS			
Trading Rights Entitlement Certificates (TRECs)		<u>13,663,818</u>	13,663,818
		<u>13,663,818</u>	<u>13,663,818</u>
7 LONG TERM INVESTMENT			
Investment in shares of Karachi Stock Exchange Limited - available for sale	7.1	40,073,830	36,336,182
Unrealized gain on remeasurement at par value		-	3,737,648
		<u>40,073,830</u>	<u>40,073,830</u>



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

7.1 Investment in shares of Karachi Stock Exchange Limited

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.

8 DEFERRED TAXATION

Deferred tax asset amounting to Rs. 87.918 (June 30, 2014 : Rs. 61.345) millions has not been recognized on the ground that uncertainty exist regarding future profits of the Company against which the asset could be utilized.

	<i>Note</i>	<i>December 31, 2014 Rupees</i>	<i>June 30, 2014 Rupees</i>
9 SHORT TERM INVESTMENTS			
In related parties	9.1	30,975,124	39,522,133
Others	9.2	12,937,646	13,338,358
		<u>43,912,770</u>	<u>52,860,491</u>



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

9.1 Investment in Related Parties

Financial Assets - at fair value through profit and loss - Held for trading

<i>December 31, 2014</i>	<i>June 30, 2014</i>		<i>December 31, 2014</i>	<i>June 30, 2014</i>
<i>Number of Shares</i>			<i>Rupees</i>	<i>Rupees</i>
567,613	567,613	Dawood Capital Management Ltd.	1,384,976	2,015,381
127,805	127,805	First Dawood Investment Bank Ltd.	177,648	232,605
			<u>1,562,624</u>	<u>2,247,986</u>
		Gain/(Loss) on remeasurement of investments	<u>(182,500)</u>	<u>(920,853)</u>
			<u>1,380,124</u>	<u>1,327,133</u>

Financial Assets - Available for sale - at cost

<i>December 31, 2014</i>	<i>June 30, 2014</i>		<i>Note</i>		
<i>Number of Shares</i>					
2,959,500	3,819,500	Dawood Family Takaful Company Limited	9.1.1	<u>29,595,000</u>	<u>38,195,000</u>
				<u>30,975,124</u>	<u>39,522,133</u>

9.1.1 Investment available for sale - provision for impairment

Investment at cost	29,595,000	38,195,000
Reversal of impairment	-	-
	<u>29,595,000</u>	<u>38,195,000</u>

9.2 Other investments

Financial Assets - at fair value through profit and loss - Held for trading

	<i>Note</i>	<i>December 31, 2014</i>	<i>June 30, 2014</i>
		<i>Rupees</i>	<i>Rupees</i>
Ordinary Shares	9.2.1	11,304,603	11,572,813
Units of mutual funds	9.2.2	1,633,043	1,563,197
Term finance certificates (TFCs)		-	202,348
		<u>12,937,646</u>	<u>13,338,358</u>



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

9.2.1 Held for trading - Ordinary Shares

<i>December 31, 2014</i>	<i>June 30, 2014</i>		<i>(Un-audited) December 31, 2014 Rupees</i>	<i>(Audited) June 30, 2014 Rupees</i>
13,205	8,205	Adamjee Insurance Company Limited	647,861	220,632
6,920	6,920	Arif Habib Corporation Limited	175,284	153,727
4,500	4,500	Askari Commercial Bank Limited	96,975	53,133
720	720	Attock Petroleum Limited	390,694	336,672
110	220	Aisha Steel Limited - Preference Shares received as specie dividend	-	1,762
5,175	5,175	National Bank Limited	337,543	269,164
1,535	1,535	National Refinery Limited	297,898	369,290
171	1,171	Akzo Noble Pakistan Limited	69,341	103,288
9,500	12,000	D.G.Khan Cement limited	817,239	1,012,960
1,000	1,000	Dost Steel Limited	3,580	6,771
105,473	105,473	Engro Polymer & Chemical Ltd.	1,250,625	1,285,663
9,675	9,675	Fauji Fertilizer Bin Qasim Limited	433,986	363,200
5,525	3,025	Fauji Fertilizer Company Limited	626,801	320,939
1,828	1,828	ICI Pakistan Limited	974,187	260,939
1,500	1,500	Kot Addu Power Company Limited	96,435	92,820
189,172	189,172	Lotte Chemical Pakistan Limited	1,286,370	1,452,071
8,000	15,500	Bank of Punjab	77,913	150,740
480	886	Habib Bank Limited	100,406	149,171
21,625	21,625	NIB Bank Limited	45,197	56,013
2,000	5,500	Pak electron Limited	55,909	149,633
6,000	6,000	Pakistan Reinsurance Limited	152,100	195,687
500	500	Sitara Peroxide Limited	7,120	8,101
2,500	-	Oil & Gas Development Company Ltd.	610,085	-
7,500	-	International Industries Limited	531,699	-
5,000	-	TRG Pakistan Limited	74,360	-
20,000	-	B.R.R Guardian Modarba	124,580	-
1,000	-	Attock Cement Pakistan Limited	197,028	-
3,000	-	Faysal Bank Limited	52,395	-
19,500	-	Soneri Bank Limited	245,299	-
2,500	-	Treet Corporation Limited	344,552	-
		c/f	10,123,461	7,012,376



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

<i>December 31, 2014</i>	<i>June 30, 2014</i>		<i>(Un-audited) December 31, 2014 Rupees</i>	<i>(Audited) June 30, 2014 Rupees</i>
		b/f	10,123,461	7,012,376
10,000	-	Pakistan International Bulk Terminal Ltd.	248,526	-
500	-	Engro Power Qadirpur Limited	15,039	-
20,000	-	Descon Chemicals Limited	112,236	-
5,000	-	Descon Oxychem Limited	35,859	-
1,000	-	Gadoon Textile Mills Limited	276,037	-
500	-	Biafo Industries Limited	96,775	-
2,500	-	Bannu Woolen Mills Limited	156,247	-
8,000	-	JS Investment Limited	102,470	-
10,000	-	TPL Trakker Limited	85,014	-
-	10,000	Azgard Nine Limited	-	63,923
-	1,000	Lucky cement Limited	-	209,720
-	9,500	Nishat Mills Limited	-	1,050,903
-	1,000	Berger paints Pakistan	-	60,761
-	2,500	Dawood Hercules Limited	-	236,928
-	5,000	Dandot Cement Company Limited	-	53,460
-	2,500	Hascol Petroleum Limited	-	224,281
-	15,000	JS Bank Limited	-	95,114
-	2,000	Kohenoor Textile Mills Limited	-	49,730
-	1,000	KSB Pump Company Limited	-	90,514
-	5,000	Netsol	-	161,182
-	5,000	Nimir Industries Limited	-	120,281
-	10,000	Pakgen Power Company Limited	-	214,745
-	15,000	Power Cement Limited	-	90,734
-	3,333	Summit Bank Limited	-	7,668
-	4,000	Searle Pakistan Limited	-	840,285
-	2,500	Sidiquesons Tin Plate	-	14,226
-	600	Tri Pack Films Limited	-	113,709
-	500	Thatta Cement	-	12,431
			11,251,663	10,722,975
		Gain/(Loss) on remeasurement of investments	52,939	849,838
			11,304,603	11,572,813



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

9.2.2 Units of Mutual funds

December 31, 2014 *June 30, 2014*

Number of Units

139,939	137,149	NAFA Government Securities Liquid Fund	1,406,923	1,301,445
1,475	1,475	NAMCO Balanced Fund	156,274	137,600
			1,563,197	1,439,045
		Gain on remeasurement of units	69,847	124,152
			1,633,043	1,563,197
			<i>(Un-audited)</i>	<i>(Audited)</i>
			December 31,	June 30,
			2014	2014
			Rupees	Rupees

10 TRADE DEBTS

Considered good		40,149,751	30,241,393
Considered doubtful		124,351,808	124,303,327
	10.1	164,501,559	154,544,720
Provision for doubtful receivables		(78,729,691)	(78,819,691)
		85,771,868	75,725,029

10.1 This includes an amount of Rs.1.945 (June 30, 2014 : Rs.5.6) million receivable from related parties of the Company.

		<i>(Un-audited)</i>	<i>(Audited)</i>
		December 31,	June 30,
		2014	2014
		Rupees	Rupees

11 TRADE AND OTHER PAYABLE

Trade creditors	11.1	34,677,964	39,135,582
Accrued expenses		1,119,629	1,211,377
Withholding tax payable		499,622	691,004
		36,297,215	41,037,963

11.1 This includes an amount of Rs.4.149 (June 30, 2014 : Rs..039) million payable to related parties of the Company.

12 CONTINGENCIES

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

12.1 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.



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2014**

12.2 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 have been 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.

	<i>Note</i>	<i>December 31, 2014 Rupees</i>	<i>December 31, 2013 Rupees</i>
13 OPERATING REVENUE			
Brokerage commission	13.1	4,761,970	3,152,186
Additional commission		-	429,662
Custody / Laga / NCSS Fees		853,134	646,833
Dividend income		814,334	740,650
Profit on cash exposure deposit		202,200	105,280
		<u>6,631,639</u>	<u>5,074,612</u>
13.1 Brokerage commission			
Gross commission		10,869,909	10,434,702
Federal excise duty		(1,411,273)	(1,438,613)
		<u>9,458,637</u>	<u>8,996,089</u>
Commission to agents and dealers		(4,696,667)	(5,843,903)
		<u>4,761,970</u>	<u>3,152,186</u>

14 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.

	<i>(Un-Audited) Half year ended</i>		<i>(Un-Audited) Quarter ended</i>	
	<i>December 31, 2014 Rupees</i>	<i>December 31, 2013 Rupees</i>	<i>December 31, 2014 Rupees</i>	<i>December 31, 2013 Rupees</i>
	Commission earned from brokerage transactions with member companies and key management personnel of members companies	700,349	384,128	420,386
Expenses paid to member companies	66,000	66,000	33,000	-

15 DATE FOR AUTHORIZATION FOR ISSUE

The Board of Directors of the Company authorized these interim financial statements for issue on February 12, 2015.

16 GENERAL

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



Chief Executive



Director



DAWOOD EQUITIES LIMITED

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