
DIN TEXTILE MILLS LIMITED

COMPANY PROFILE**Board of Directors**

Shaikh Mohammad Muneer	Chairman / Chief Executive
Shaikh Mohammad Naseer	Director
Shaikh Mohammad Jawed	Director
Shaikh Mohammad Pervez	Director
Shaikh Mohammad Tariq	Director
Shaikh Mohammad Tanveer	Director
Mr. Shahzad Naseer	Director
Mr. S. M. Naveed	Director
Mr. Irfan Muneer	Director
Mr. Fawad Jawed	Director

Secretary

Mr. Islam Ahmed

Auditors

Mushtaq & Co.
Chartered Accountants

Bankers

Faysal Bank Ltd.
Citibank N.A.
ABN Amro Bank N.V
Union Bank Ltd.
Standard Chartered Bank Ltd.
Habib Bank AG Zurich
Habib Bank Ltd.
Mezan Bank Ltd
The Hong Kong and Shanghai Banking Corporation Ltd.

Registered Office

Din House, 35-A/1, Lalazar Area,
Opp. Beach Luxury Hotel, Karachi.

Audit Committee

Shaikh Mohammad Jawed	Chairman
Shaikh Mohammad Pervez	Member
Mr. Shahzad Naseer	Member

Chief Financial Officer

Mr. Noman Ahmed

Mills

Unit-I & II Kot Akbar Khan, 70km Multan Road, Tehsil Pattoki,
District Kasur, Punjab.
Unit-III Revenue State, Bhai Kot, Tablighi Chowk, Raiwind Road, Tehsil & Distt. Lahore.

DIN TEXTILE MILLS LIMITED

DIRECTORS' REPORT

Dear shareholders

The Board of Directors is pleased to present the un-audited financial statements of your Company for the first quarter ended September 30, 2006.

During the first quarter under review, your company has achieved fairly better results in sales, gross profit as well as operating profit, as compared to the same quarter in last year.

During the quarter under review, the operating results of your company were as follows.

PARTICULARS	First Quarter ended Sept 30,		Inc. / (Dec.) % ages
	2006	2005	
Net Sales ('000' Rs)	647,037	597,066	8.37
Gross Profit ('000' Rs)	76,201	59,972	27.50
Pre-tax Profit ('000' Rs)	29,935	10,357	189.03
After Tax Profit ('000' Rs)	27,858	12,319	126.14
Gross Profit (%)	11.78	10.01	
After Tax Profit (%)	4.31	2.06	
Earning Per Share (Rs)	1.50	0.66	

Your company's major cotton yarn market is Far-East. However, your management is trying to expand its marketing on worldwide basis and in the current fiscal year, we have also exported our fine quality yarn to European market.

The prevailing raw cotton prices in the current period remained around Rs.2,400/= per maund, which is almost the same average cotton cost to your company in the preceding year. Your management has planned to increase the profitability of the company by increasing sales prices of yarn and taking different measures to reduce cost of production specially fuel and power.

From the next quarter, our all units will receive electric supply from Gas Generators instead of Diesel Generators which will contribute to reduce cost of production and improve overall sales of the company at competitive prices and thus improving the profitability of your Company.

Profitability has been substantially affected by high rate of markup. In order to reduce the finance cost, besides other efforts, we have made an arrangement of loan for the new generators under the SBP LTF-EOP scheme for gas generators at the concessionary rate announced by SBP.

The Directors of your company place on record their appreciation to Company's workers, staff and senior members of Management for their devotion and hardworking.

On behalf of the Board of Directors

Karachi:
Dated: October 28, 2006

(SHAIKH MOHAMMAD MUNEER)
CHAIRMAN/CHIEF EXECUTIVE

DIN TEXTILE MILLS LIMITED

**BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2006**

	Notes	Un-audited September 30, 2006	Audited June 30, 2006
(Rupees in '000')			
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorised 50,000,000 ordinary shares of Rs. 10/= each		500,000	500,000
Issued, Subscribed & Paid up 18,530,321 ordinary shares of Rs. 10/= each		185,303	185,303
Reserves		567,441	539,582
		752,744	724,886
LONG TERM LOANS			
From banks - secured		562,500	662,500
From directors - un secured		500,000	500,000
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
		2,472	2,779
DEFERRED LIABILITIES			
Staff Gratuity		33,886	33,546
Taxation		170,260	172,471
		204,147	206,017
CURRENT LIABILITIES			
Short term bank borrowings		485,740	684,576
Current portion of long term loans		225,000	125,000
Current portion of liabilities against assets subject to finance lease		1,934	4,572
Interest / Markup accrued on loans		29,230	20,226
Trade and other payables		121,617	117,277
		863,522	951,651
CONTINGENCIES & COMMITMENTS			
	4.	-	-
		2,885,384	3,047,832
<u>PROPERTY & ASSETS</u>			
TANGIBLE FIXED ASSETS			
Property, plant and equipment	5.	2,059,762	2,107,863
Capital work in progress		15,355	12,694
		2,075,117	2,120,558
LONG TERM DEPOSITS			
		1,904	3,850
CURRENT ASSETS			
Stores, spares & loose tools		91,304	88,085
Stock in trade		336,277	538,259
Trade debtors		298,831	213,029
Loans and advances		33,293	43,166
Trade deposits and prepayments		16,318	1,018
Other receivables		12,978	13,987
Cash and bank balances		19,361	25,881
		808,363	923,424
		2,885,384	3,047,832

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

Karachi:
October 28, 2006

(SHAHZAD NASEER)
Director

(S.M. MUNEEB)
Chief Executive

DIN TEXTILE MILLS LIMITED

**PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2006**

	July 01 to September 30, 2006	July 01 to September 30, 2005
	(Rupees in '000')	
Sales-net	647,037	597,066
Cost of sales	(570,836)	(537,294)
Gross profit	76,201	59,772
Operating expenses		
Selling & distribution cost	(6,857)	(6,003)
Administrative expenses	(7,429)	(9,926)
Other operating expenses	(1,575)	(598)
Other operating income	459	2,053
Operating Profit	60,800	45,298
Finance cost	(30,865)	(34,941)
Profit before taxation	29,935	10,357
Provision for taxation	(2,077)	1,962
Profit after taxation	27,858	12,319
Earning per share	1.50	0.66

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

Karachi:
October 28, 2006

(SHAHZAD NASEER)
Director

(S.M. MUNEEB)
Chief Executive

DIN TEXTILE MILLS LIMITED

**CASH FLOW STATEMENT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2006**

	Quarter ended	
	September 30, 2006	September 30, 2005
	(Rupees in '000')	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	29,935	10,357
<i>Adjustments for:</i>		
Depreciation	52,050	51,201
Provision for employee benefits	1,564	871
Loss/(gain) on sale of property, plant and equipment	(452)	(320)
Finance cost	30,865	34,941
Operating cash flows before working capital changes	113,961	97,050
 (Increase)/Decrease in current assets:		
Stores spares and loose tools	(3,220)	3,302
Stock in trade	201,981	281,684
Trade debts	(85,802)	(10,249)
Advances, deposits & prepayments	(9,224)	(59,817)
Other receivables	1,009	(4,872)
	104,745	210,048
 Increase/(Decrease) in current liabilities:		
Trade and other payable	4,157	(29,009)
	108,902	181,039
Cash generated from operations	222,863	278,089
 Finance cost paid	(21,861)	(34,328)
Gratuity paid	(1,223)	(977)
Long Term Deposit	1,946	648
Taxes Refund / (Paid)	(335)	27,570
	(21,473)	(7,087)
Net cash used in operating activities	201,390	271,002
 B. CASH FLOWS FROM INVESTING ACTIVITIES		
Sales proceed of fixed assets	835	1,650
Fixed asset acquired	(6,964)	(24,104)
Net cash used in investing activities	(6,129)	(22,454)
 C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained	-	-
Repayment of long term loan	-	(420,000)
Repayment of liability against assets subject to finance lease	(2,945)	(358)
Net cash flow from financing activities	(2,945)	(420,358)
 Net increase/(decrease) in cash and cash equivalents (a+b+c)	192,316	(171,810)
Cash and cash equivalents at the beginning of the period	(658,695)	(726,149)
Cash and cash equivalents at the end of the period	(466,379)	(897,959)
 Cash and cash equivalents		
Short term borrowings	(485,740)	(919,933)
Cash and bank balances	19,361	21,974
	(466,379)	(897,959)
The annexed notes form an integral part of these financial statements.		

Karachi:
October 28, 2006

(SHAHZAD NASEER)
Director

(S.M. MUNEEB)
Chief Executive

DIN TEXTILE MILLS LIMITED

**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2006**

Share Capital	Reserves				Total
	Capital	Revenue			
	Book differences of capital under scheme of arrangement for amalgamation	General	Unappropriated Profit/(Loss)	Total	

-----Rupees '000'-----

Balance as at July 01, 2005	185,303	10,377	400,000	109,765	520,142	705,445
Net Profit / (Loss) for the first quarter	-	-	-	12,319	12,319	12,319
Balance as at September 30, 2005	185,303	10,377	400,000	122,084	532,461	717,764
Balance as at July 01, 2006	185,303	10,377	400,000	129,206	539,583	724,886
Net Profit / (Loss) for the first quarter	-	-	-	27,858	27,858	27,858
Balance as at September 30, 2006	185,303	10,377	400,000	157,064	567,441	752,744

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

Karachi:
October 28, 2006

(SHAHZAD NASEER)
Director

(S.M. MUNEEB)
Chief Executive

DIN TEXTILE MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2006****1 THE COMPANY AND ITS OPERATIONS**

The company is limited by shares incorporated in Pakistan and is quoted at Stock Exchanges at Karachi and Lahore. The principal business of the company is manufacture and sale of yarn. The mills are located at Tehsil Pattoki, District Kasur and District Lahore in the province of Punjab. The registered office of the company is situated at 35-A/1 , Lalazar Area Opp: Beach Luxury Hotel, M.T. Khan Road, Karachi, Pakistan

2 BASIS OF PREPARATION

These financial statements have been prepared in compliance with the International Accounting Standard 34 Interim Financial Reporting and the section 245 of the Companies Ordinance 1984.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of the first quarter financial statements are the same as those of published annual financial statements for the year ended June 30, 2006.

4 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies and commitments since the last audited financial statements except as disclosed in note 4.1 and 4.2

	September 30, 2006	June 30, 2006
	(Rupees in '000')	
4.1 Contingencies		
Bills discounted with recourse	82,270	35,389
Bank guarantees issued in ordinary course of business	51,319	30,309
4.2 Commitments		
Capital commitments in respect of civil work	2,821	2,996
Letter of credit for capital works	-	-
Letter of credit for others	12,021	23,084

DIN TEXTILE MILLS LIMITED

5 ACQUISITIONS AND DISPOSAL OF FIXED ASSETS

	September 30, 2006 Acquisition	September 30, 2006 Disposal
	(Rupees in '000')	
Land - free hold	-	-
Building	-	-
Plant and machinery	2,934	-
Electric installation	961	-
Tools & equipment	-	-
Office equipment	61	-
Furniture & fixture	246	-
Computers	-	-
Vehicles	102	1,652
	<u>4,303</u>	<u>1,652</u>

6 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on October 28, 2006 by the Board of Directors of the company.

7 GENERAL

- Figures have been rounded off to the nearest thousand rupees.
- Corresponding figures have been re-arranged, where ever necessary, for the purpose of comparison.

Karachi:
October 28, 2006

(SHAHZAD NASEER)
Director

(S.M. MUNEEB)
Chief Executive