

## **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**

Meezan Bank Ltd.  
Citibank N.A.  
ABN Amro Bank N.V  
Union Bank Ltd.  
Standard Chartered Bank Ltd.  
Faysal Bank Ltd.  
Habib Bank AG Zurich  
Habib Bank Ltd.  
United 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 Finance Officer**

Mr. Noman Ahmed

### **Mills**

Unit-I and II Kot Akbar Khan, 70km Multan Road, Tehsil Pattoki,  
Distric Kasur, Punjab.  
Unit-III Revenue State, Bhai Kot, Tablighi Chowk, Raiwind Road, Tehsil and Distt. Lahore.  
Web site address: [www.dingroup.com](http://www.dingroup.com)

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**DIN TEXTILE MILLS LIMITED**

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**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, 2007.

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 are as follows.

PARTICULARS	First Quarter ended Sept 30,		Inc. / (Dec.) % ages
	2007	2006	
Net Sales ('000' Rs)	667,177	647,037	3.11
Gross Profit ('000' Rs)	89,652	76,201	17.65
Pre-tax Profit ('000' Rs)	40,173	29,935	34.20
After Tax Profit ('000' Rs)	36,795	27,858	32.08
Gross Profit (%)	13.44	11.78	
After Tax Profit (%)	5.52	4.31	
Earning Per Share (Rs)	1.99	1.50	

Your Company's planning to expand its marketing on worldwide basis remain effective and gain significant results during the period under review. In line with this planning your Company is adding new lycra attachments which will comes in production from start of 2nd quarter of the current fiscal year.

The cotton prices are higher as compare to the preceding year, which causing adverse impact on the textile sector. In addition to purchase of raw cotton from local market your company has also imported raw cotton from abroad for production of fine quality yarn on state of the art Reiter plant.

Despite current industrial crises due to unfair competition from neighboring countries, rising trend of mark-up rates, increase of fuel prices, depressed yarn prices and continuous rising trend in cotton market your management is still making best effort to improve its results to boost up the company profile.

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:  
Date : October 30, 2007

(**SHAIKH MOHAMMAD PERVEZ**)  
**DIRECTOR**

**DIN TEXTILE MILLS LIMITED****BALANCE SHEET (UN-AUDITED)  
AS AT SEPTEMBER 30, 2007**

	(UN-AUDITED) September 30, 2007	(AUDITED) June 30, 2007
(Rupees '000')		
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
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	742,724	705,929
	928,027	891,232
<b>LONG TERM LOANS</b>		
From banks - secured	413,409	501,550
From directors - un secured	500,000	500,000
<b>LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>		
	1,321	1,541
<b>DEFERRED LIABILITIES</b>		
Staff retirement benefits - gratuity	38,988	38,480
Taxation	76,384	76,384
	115,372	114,864
<b>CURRENT LIABILITIES</b>		
Short term bank borrowings	550,833	772,219
Current portion of long term loans	225,000	225,000
Current portion of liabilities against assets subject to finance lease	2,237	2,578
Interest / Markup accrued on loans	25,675	19,379
Trade and other payables	135,226	133,667
	938,971	1,152,843
<b>CONTINGENCIES &amp; COMMITMENTS</b>	4.	-
	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	2,897,100	3,162,030
<b>PROPERTY &amp; ASSETS</b>		
<b>TANGIBLE FIXED ASSETS</b>		
Property, plant and equipment	1,965,728	2,001,836
Capital work in progress	1,455	3,523
	1,967,183	2,005,359
<b>LONG TERM LOANS AND ADVANCES</b>	897	1,638
<b>LONG TERM DEPOSITS</b>	2,665	3,012
<b>CURRENT ASSETS</b>		
Stores, spares & loose tools	105,771	96,769
Stock in trade	390,828	644,740
Trade debtors	326,258	352,913
Loans and advances	52,947	37,279
Trade deposits and prepayments	3,190	2,717
Other receivables	12,619	9,033
Cash and bank balances	34,742	8,570
	926,355	1,152,021
<b>TOTAL ASSETS</b>	2,897,100	3,162,030

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

Karachi:  
Date: October 30, 2007

SHAIKH MOHAMMAD TARIQ  
DIRECTOR

SHAIKH MOHAMMAD PERVEZ  
DIRECTOR

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**DIN TEXTILE MILLS LIMITED**

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**PROFIT AND LOSS ACCOUNT (UN-AUDITED )  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2007**

	<b>Quarter Ended</b>	
	September 30, 2007	September 30, 2006
	<b>(Rupees in '000' )</b>	
Sales-net	<b>667,177</b>	647,037
Cost of goods sold	<b>(577,525)</b>	(570,836)
<b>Gross profit/(loss)</b>	<b>89,652</b>	76,201
Selling & distribution cost	<b>(8,879)</b>	(6,857)
Administrative expenses	<b>(10,091)</b>	(7,429)
Other operating expenses	<b>(2,114)</b>	(1,575)
Other operating income	<b>1,034</b>	460
<b>Profit/(loss) from operation</b>	<b>69,602</b>	60,800
Finance cost	<b>(29,429)</b>	(30,865)
<b>Profit/(loss) before taxation</b>	<b>40,173</b>	29,935
Taxation	<b>(3,378)</b>	(2,077)
<b>Net profit/(loss) for the period</b>	<b>36,795</b>	27,858
Earning per share-basic and diluted	<b>1.99</b>	1.50

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

Karachi:  
Date: October 30, 2007

SHAIKH MOHAMMAD TARIQ  
DIRECTOR

SHAIKH MOHAMMAD PERVEZ  
DIRECTOR

**DIN TEXTILE MILLS LIMITED****CASH FLOW STATEMENT (UN-AUDITED)**

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2007

	Quarter September 30, 2007	Ended September 30, 2006
	(Rupees '000')	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before taxation	40,173	29,935
<i>Adjustments for:</i>		
Depreciation	50,550	52,050
Provision for staff retirement benefits - gratuity	2,640	1,564
Loss/(gain) on sale of property, plant and equipment	-	(452)
Finance cost	29,429	30,865
Operating cash flows before working capital changes	122,792	113,962
<i>(Increase)/Decrease in current assets:</i>		
Stores, spares and loose tools	(9,002)	(3,220)
Stock in trade	253,912	201,981
Trade debts	26,655	(85,802)
Advances, deposits & prepayments	(14,608)	(9,224)
Other receivables	(3,586)	1,009
Increase/(Decrease) in current liabilities:	253,371	104,744
Trade and other payables	1,104	4,157
Cash generated from operations	377,267	222,863
Finance cost paid	(23,133)	(21,861)
Staff retirement benefits - gratuity paid	(2,132)	(1,223)
Long term deposit	347	1,946
Taxes refunded / (Paid)	(4,455)	(335)
Net cash flow from operating activities	347,894	201,390
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale proceeds of fixed assets	-	835
Fixed assets acquired	(12,375)	(6,964)
Long term loans and advances	741	-
Net cash flow from investing activities	(11,634)	(6,129)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term loan	(88,141)	-
Repayment of liability against assets subject to finance lease	(561)	(2,945)
Net cash flow from financing activities	(88,702)	(2,945)
Net increase/(decrease) in cash and cash equivalents (a+b+c)	247,558	192,316
Cash and cash equivalents at the beginning of the period	(763,649)	(658,695)
Cash and cash equivalents at the end of the period	(516,091)	(466,379)
<b>Cash and cash equivalents</b>		
Short term borrowings	(550,833)	(485,740)
Cash and bank balances	34,742	19,361
	(516,091)	(466,379)

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

Karachi:  
Date: October 30, 2007SHAIKH MOHAMMAD TARIQ  
DIRECTORSHAIKH MOHAMMAD PERVEZ  
DIRECTOR

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**DIN TEXTILE MILLS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2007**

	Reserves					Total
	Capital	Revenue			Total	
	Merger Reserve	General	Unappropriated Profit / (Loss)	Total		
-----Rupees '000'-----						
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	<u>185,303</u>	<u>10,377</u>	<u>400,000</u>	<u>157,064</u>	<u>567,441</u>	<u>752,744</u>
Balance as at July 01, 2007	185,303	10,377	400,000	295,552	705,929	891,232
Net profit / (loss) for the first quarter	-	-	-	36,795	36,795	36,795
Balance as at September 30, 2007	<u>185,303</u>	<u>10,377</u>	<u>400,000</u>	<u>332,347</u>	<u>742,724</u>	<u>928,027</u>

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

Karachi:  
Date: October 30, 2007

SHAIKH MOHAMMAD TARIQ  
DIRECTOR

SHAIKH MOHAMMAD PERVEZ  
DIRECTOR

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**DIN TEXTILE MILLS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2007****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, 2007.

**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, 2007	June 30, 2007
	(Rupees in '000')	
<b>4.1 Contingencies</b>		
Bills discounted with recourse	152,760	167,067
Bank guarantees issued in ordinary course of business	49,309	49,309
<b>4.2 Commitments</b>		
Letter of credit for capital works	-	2,244
Letter of credit for others	17,398	43,057

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**DIN TEXTILE MILLS LIMITED**

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**5 ADDITION AND DELETION OF FIXED ASSETS**

	September 30, 2007 Addition/(Deletion)	September 30, 2006 Addition/(Deletion)
	(Rupees in '000')	
Land - free hold	-	-
Building	80	-
Plant and machinery	14,034	2,934
Electric installation	36	961
Tools & equipment	38	-
Office equipment	152	61
Furniture & fixture	33	246
Computers	69	-
Vehicles	-	102
	<u>14,442</u>	<u>4,303</u>

**6 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on *October 30, 2007* 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.
- These financial statements have been signed by two directors as chief executive officer was out of the country.

Karachi:  
Date: October 30, 2007

SHAIKH MOHAMMAD TARIQ  
DIRECTOR

SHAIKH MOHAMMAD PERVEZ  
DIRECTOR