



HALF YEARLY | DECEMBER  
ACCOUNTS | 31, 2022  
U n - A u d i t e d



**Din Textile Mills Ltd.**



Organic yarn  
and fabrics made  
in Pakistan

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## CORPORATE INFORMATION

### Board of Directors

Shaikh Muhammad Jawed  
Shaikh Muhammad Pervez  
Shaikh Muhammad Tanveer  
Shaikh Muhammad Naveed  
Mr. Faisal Jawed  
Mr. Farhad Shaikh Mohammad  
Mr. Ehtesham Maqbool Elahi  
Mr. Ali Farooq  
Ms. Mehvish Waliyani

### Chief Operating Officer

Mr. Shaukat Hussain Ch.  
(ACA, CPFA, FPFA, CFC)

### Chief Financial Officer

Mr. Kashif Javed

### Company Secretary

Mr. Muhammad Naveed Yar Khan

### Auditors

Naveed Zafar Ashfaq Jaffery & Co.  
Chartered Accountants

### Legal Advisor

Mohsin Teyebaly & Co.

### Share Registrar

CDC Share Registrar Services Limited  
CDC House 99-B, Block-B, S.M.C.H.S  
Main Shahr-e-Faisal, Karachi-74400  
Customer Support Services  
(Toll Free) 0800-23275  
Fax: (+92-21) 34326053  
Email: info@cdcsrsl.com  
Website: www.cdcsrsl.com

### Registered Office

Din House, 35-A/1, Lalazar Area,  
Opp: Beach Luxury Hotel, M. T. Khan Road, Karachi.

### Mills

Unit-I and II: Kot Akbar Khan, 70 Km Multan Road, Tehsil Pattoki, District Kasur, Punjab.  
Unit-III & Weaving: Revenue Estate, Bhai Kot, Tablighi Chowk, Raiwind Road, Tehsil  
and District Lahore - Punjab.  
Unit-IV: Dars Road, Off Raiwind Manga Road, Bachuki Majha Distt. Kasur.

Website: www.dingroup.com

Email: textile@dingroup.com

## DIRECTORS' REPORT

In the name of Allah, the Most Beneficent, the Most Gracious, the Most Merciful.

### Dear Shareholders

The Board of Directors is pleased to present the un-audited financial statements of the Company for the half year ended Dec 31, 2022 in compliance with requirements of the Companies Act, 2017.

### Financial Results

During the half year ended under review, following are the key financial results of the Company as compare to previous half year ended:

|                   | Half year ended |            | Inc. / (Dec.)<br>% age |         |
|-------------------|-----------------|------------|------------------------|---------|
|                   | 31-Dec-22       | 31-Dec-21  |                        |         |
| Sales             | Rupees in '000' | 14,230,838 | 14,103,265             | 0.90    |
| Gross Profit      | Rupees in '000' | 1,760,449  | 3,281,242              | (46.35) |
| Pre-tax Profit    | Rupees in '000' | 129,032    | 2,369,956              | (94.56) |
| After Tax Profit  | Rupees in '000' | 24,932     | 2,220,012              | (98.88) |
| Gross Profit      | Percentage      | 12.37      | 23.27                  |         |
| After Tax Profit  | Percentage      | 0.18       | 15.74                  |         |
| Earning per share | Rupees          | 0.48       | 42.31                  |         |

The financial results of Company for the half year ended Dec. 31, 2022 decline substantially as compared to performance of previous period. The main reason is economic downturn and decline in demands of textile products, significant raise in cost of raw material, plus high finance costs as compared to last contemporary period. Our management, are trying their best to allocate its resources optimistically by strict strategic planning.

### General Market Conditions

During the current period, there is significant decline in demand of textile products both in local and international market. Pakistan textile exports hit 11-month low in July 2022. Cotton production in Pakistan remained only 4.7 million bales (of 170 kilograms each) this season, compared with a target of 11 million due to heavy floods in the country this year. This forces spinning industry to import raw cotton in significant high quantities as compared to history but import is stuck of whole Pakistan due to government policies for managing economic situations. The whole scenario contributed towards heavy losses in overall textile industry in Pakistan. About 30% of Pakistan's textile production capacity for exports has been hampered because of cotton, import restrictions and energy prices. The situation is exacerbated by the regressive policy of Government of maintaining a high interest rate to counter inflation. Exporters' working capital requirements have increased immensely and the requisite finance is not available, and when available it is extremely costly given the unreasonably high interest rates, which bring textile industry at uncompetitive edge in the region. Consequently as many as 100 smaller as well as bigger units of textile industry observed reduction in production levels or shut down of plants.

Chairman  
Director  
Director  
Chief Executive  
Director  
Director  
Director  
Director  
Director

Allied Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited

### Audit Committee

Mr. Ehtesham Maqbool Elahi  
Shaikh Muhammad Pervez  
Mr. Faisal Jawed

### Human Resource and Remuneration Committee

Mr. Ali Farooq  
Mr. Faisal Jawed  
Mr. Farhad Shaikh Mohammad

### Credit Rating

Long term rating A-(A Minus)  
Short term rating A2 (A two)  
by Pakistan Credit Rating Agency (PACRA)

## Future Outlook

Due to significant rise in cost of production, the prices of textile end products increase while high inflation overall at world level result in decline in buying power of customers. These factors contribute towards decline of demand. Prices of raw cotton, energy and inflation increase substantially and government is further planning to increase energy prices and interest rates which will also go to rise inflation very badly in coming days. Due to these prevailing situations in local as well as international market coupled with political situation in Pakistan, the current financial year poses many challenges to be dealt with. However, if demands from customer is foreseen from 3rd or 4th Quarter of the year situation is likely to become better, but if government decide for withdrawal of subsidy or increase of prices for electricity and Gas/RLNG, there is no improvement foreseen and it may turn the shut down of industry overall God forbid.


## Change in CEO

The Board appointed Mr. Shaikh Mohammad Naveed as the new Chief Executive Officer with effect from February 06, 2023, following the resignation of Mr. Shaikh Muhammad Tanveer. The Board would like to acknowledge and appreciate the services of Mr. Shaikh Muhammad Tanveer and wish Mr. Shaikh Mohammad Naveed success in his new role.

## Acknowledgment

The Board of Directors would take a pleasure in appreciating all stakeholders for their endeavoring and their outstanding commitment in improving the performance of the Company and making it the leader in Textile sector exclusively. The Company looks toward your continuous support as always to help us navigate through difficult economic conditions both locally and internationally.

Karachi:  
Dated : February 15, 2023

  
Shaikh Mohammad Naveed  
Chief Executive

On behalf of the Board of Directors

  
Farhad Shaikh Mohammad  
Director

# ACCOUNTS

Condensed Interim  
Financial Statements (Un-Audited)  
Half Year Ended December 31, 2022



DIN GROUP

DIN TEXTILE MILLS LTD.

**INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Din Textile Mills Limited  
Report on review of Interim Financial Statements

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Din Textile Mills Limited** ("the Company") as at December 31, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements 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 accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **Azeem H. Siddiqui**.

Karachi

Dated : February 20, 2023

UDIN : RR202210232EHKZZGALdjah

*Naveed Zafar Ashfaq Jaffery & Co.*

Chartered Accountants

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**Condensed Interim Statement of Financial Position (Un-Audited)  
As at December 31, 2022**

| (Amounts in Thousand)                                | (Un-audited) |                     | (Audited)           |  |
|--|--------------|---------------------|---------------------|--|
|  | Note         | 31-Dec-22<br>Rupees | 30-Jun-22<br>Rupees |  |
| <b>NON CURRENT ASSETS</b>                            |              |                     |                     |  |
| Property, plant and equipment                        | 5            | 10,779,502          | 9,963,074           |  |
| Intangible assets                                    |              | 12,155              | 13,532              |  |
| Long term deposits                                   |              | 23,012              | 22,747              |  |
|  |              | 10,814,669          | 9,999,353           |  |
| <b>CURRENT ASSETS</b>                                |              |                     |                     |  |
| Stores, spare parts and loose tools                  |              |                     |                     |  |
| Stock in trade                                       | 6            | 631,065             | 575,367             |  |
| Trade debts  |              | 13,042,817          | 10,185,800          |  |
| Advances   |              | 4,306,511           | 4,842,734           |  |
| Trade deposits                                       |              | 444,983             | 221,673             |  |
| Other receivables                                    |              | 1,120               | 1,239               |  |
| Tax refunds due from Government                      |              | 434,040             | 411,970             |  |
| Cash and bank balances                               |              | 2,077,380           | 1,676,854           |  |
|  |              | 383,868             | 195,705             |  |
|  |              | 21,321,784          | 18,111,342          |  |
| <b>CURRENT LIABILITIES</b>                           |              |                     |                     |  |
| Trade and other payables                             |              | 11,444,971          | 8,927,253           |  |
| Contract liabilities                                 |              | 858                 | 6,399               |  |
| Unclaimed dividend                                   |              | 5,525               | 5,588               |  |
| Accrued mark up / interest                           |              | 608,076             | 395,222             |  |
| Short term borrowings                                |              | 4,359,559           | 3,382,979           |  |
| Current portion of                                   |              | 1,278,817           | 1,327,234           |  |
| Long term financing from banking companies - secured |              | 17,697,806          | 14,044,675          |  |
|  |              | 3,623,978           | 4,066,667           |  |
|  |              | 14,438,647          | 14,066,020          |  |
| <b>WORKING CAPITAL</b>                               |              |                     |                     |  |
| <b>TOTAL CAPITAL EMPLOYED</b>                        |              |                     |                     |  |
| <b>NON CURRENT LIABILITIES</b>                       |              |                     |                     |  |
| Long term financing from banking companies - secured |              | 6,032,341           | 5,721,044           |  |
| Deferred liabilities                                 |              | 251,128             | 231,713             |  |
| Staff retirement benefits - gratuity                 |              | 16,983              | -                   |  |
| Deferred taxation                                    |              | 6,300,452           | 5,952,757           |  |
|  |              | 8,138,195           | 8,113,263           |  |
| <b>CONTINGENCIES AND COMMITMENTS</b>                 |              |                     |                     |  |
| <b>Net Worth</b>                                     |              |                     |                     |  |
| <b>EQUITY</b>  |              |                     |                     |  |
| <b>SHARE CAPITAL AND RESERVES</b>                    |              |                     |                     |  |
| Authorized capital                                   |              | 2,000,000           | 2,000,000           |  |
| 200,000,000 ordinary shares of Rs. 10 each           |              |                     |                     |  |
| <b>Net Worth Represented by:</b>                     |              |                     |                     |  |
| Issued, subscribed and paid up capital               | 8            | 524,667             | 524,667             |  |
| 52,466,749 ordinary shares of Rs. 10/- each          |              | 7,613,528           | 7,588,596           |  |
| Reserves   |              | 8,138,195           | 8,113,263           |  |

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

Karachi: Shaikh Mohammad Naveed Farhad Shaikh Mohammad Kashif Javed  
Dated : February 15, 2023 Chief Executive Director Chief Financial Officer

**Condensed Interim Statement of Profit or Loss (Un-Audited)  
For the Quarter and half year ended December 31, 2022**

| (Amounts in Thousand except earning per share)                  | Half Year Ended |                     | Quarter Ended       |                     |
|---|-----------------|---------------------|---------------------|---------------------|
|   | Note            | 31-Dec-22<br>Rupees | 31-Dec-21<br>Rupees | 31-Dec-21<br>Rupees |
| Sales   |                 | 14,230,838          | 14,103,265          | 6,324,714           |
| Cost of sales   |                 | (12,470,390)        | (10,822,023)        | (5,902,164)         |
| <b>Gross Profit</b>   |                 | 1,760,449           | 3,281,242           | 422,551             |
| Distribution cost   |                 | (247,788)           | (110,761)           | (103,277)           |
| Administrative expenses   |                 | (188,109)           | (165,815)           | (94,241)            |
| Other operating expenses  |                 | (44,629)            | (187,896)           | 11,041              |
| Finance cost  |                 | (1,221,896)         | (507,960)           | (654,929)           |
|   |                 | (1,702,422)         | (972,432)           | (841,406)           |
|   |                 | 58,026              | 2,308,810           | (418,856)           |
| Other income  |                 | 71,005              | 61,146              | 30,084              |
| <b>Profit / (Loss) before taxation</b>                          |                 | 129,032             | 2,369,956           | (388,771)           |
| Taxation  |                 | (104,100)           | (149,944)           | 34,621              |
| <b>Profit / (Loss) for the period</b>                           |                 | 24,932              | 2,220,012           | (354,150)           |
| Earnings / (Loss) per share - basic and diluted-Rupee per share | 9               | 0.48                | 42.31               | (6.75)              |

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

Karachi: Shaikh Mohammad Naveed Farhad Shaikh Mohammad Kashif Javed  
Dated : February 15, 2023 Chief Executive Director Chief Financial Officer

**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
**For the quarter & half year ended December 31, 2022**

| (Amounts in Thousand) | Half Year Ended |           | Quarter Ended |           |
|-----------------------|-----------------|-----------|---------------|-----------|
|                       | 31-Dec-22       | 31-Dec-21 | 31-Dec-22     | 31-Dec-21 |
|                       | Rupees          | Rupees    | Rupees        | Rupees    |

Profit / (Loss) for the period 24,932 2,220,012 (354,150) 1,171,652

Other comprehensive income for the period - - - -

**Total comprehensive Income / (Loss) for the period** **24,932** **2,220,012** **(354,150)** **1,171,652**

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

Karachi: Shaikh Mohammad Naveed Chief Executive  
Dated : February 15, 2023

Farhad Shaikh Mohammad Director  
Kashif Javed Chief Financial Officer

**Condensed Interim Statement of Cash Flows (Un-Audited)**  
**For the half year ended December 31, 2022**

(Amounts in Thousand)

|  | 31-Dec-22 | 31-Dec-21 |
|--|-----------|-----------|
|  | Rupees    | Rupees    |

**CASH FLOWS FROM OPERATING ACTIVITIES**

|  |           |           |
|--|-----------|-----------|
| CASH FLOWS FROM OPERATING ACTIVITIES                       | 129,032   | 2,369,956 |
| Profit before taxation                                     | 451,299   | 451,299   |
| Adjustments for  |           |           |
| Depreciation   | 1,376     | 47,070    |
| Amortization   | 65,477    | 127,280   |
| Staff retirement benefits - gratuity                       | 6,930     | 48,367    |
| Workers' profit participation fund                         | 2,633     | 12,000    |
| Workers' welfare fund                                      | 12,000    | 50,907    |
| Provisions for doubtful debts                              | (65,811)  | 507,960   |
| Government grant   | 1,221,896 | (10,029)  |
| Finance cost   | 11,966    |           |
| Loss / (Gain) on disposal of property, plant and equipment | 1,715,392 | 1,133,040 |
|  | 1,844,424 | 3,502,996 |

**(Increase) / decrease in current assets**

|                                     |             |             |
|-------------------------------------|-------------|-------------|
| Stores, spare parts and loose tools | (55,698)    | (80,384)    |
| Stock in trade                      | (2,857,018) | (6,165,908) |
| Trade debts                         | 524,222     | (1,094,238) |
| Advances                            | (223,309)   | (281,330)   |
| Other receivables                   | (22,070)    | (7,174)     |
|                                     | (2,633,873) | (7,629,034) |

**Increase in current liabilities**

|                                    |           |           |
|------------------------------------|-----------|-----------|
| Trade and other payables           | 210,877   | 595,078   |
| Payable against murabaha financing | 2,298,441 | 3,558,291 |
|                                    | 2,509,318 | 4,153,369 |

**Cash generated from operations**

|   |             |             |
|---|-------------|-------------|
| Cash generated from operations            | 1,719,869   | 27,331      |
| Finance cost paid                         | (942,671)   | (361,923)   |
| Taxes paid                                | (484,849)   | (847,630)   |
| Dividend paid                             | (62)        | (64)        |
| Workers' profit participation fund paid   | (10,057)    | (30,052)    |
| Staff retirement benefits - gratuity paid | (46,061)    | (26,219)    |
|   | (1,483,700) | (1,265,888) |
|   | 236,169     | (1,238,557) |

**Net cash generated from / (used in) operating activities**

|   |             |             |
|---|-------------|-------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         | 19,443      | 63,695      |
| Proceeds from sale of property, plant and equipment | (1,306,762) | (1,028,649) |
| Fixed capital expenditure                           | (147)       |             |
| Long term deposits                                  | (1,287,466) | (964,954)   |
| <b>Net cash used in investing activities</b>        | (1,051,297) | (2,203,511) |

**CASH FLOWS FROM FINANCING ACTIVITIES**

|   |                    |                    |
|---|--------------------|--------------------|
| Long term financing                                       | 262,880            | 178,760            |
| Net cash generated from financing activities              | 262,880            | 178,760            |
| <b>Net (decrease) in cash and cash equivalents</b>        | (788,417)          | (2,024,751)        |
| Cash and cash equivalents at the beginning of the period  | (3,187,274)        | (373,690)          |
| <b>Cash and cash equivalents at the end of the period</b> | <b>(3,975,691)</b> | <b>(2,398,441)</b> |

**CASH AND CASH EQUIVALENTS**

|                        |             |             |
|------------------------|-------------|-------------|
| Cash and bank balances | 383,868     | 175,405     |
| Short term borrowings  | (4,359,559) | (2,573,846) |
|                        | (3,975,691) | (2,398,441) |

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

Karachi: Shaikh Mohammad Naveed Chief Executive  
Dated : February 15, 2023

Farhad Shaikh Mohammad Director

Kashif Javed Chief Financial Officer

**Condensed Interim  
Statement of Changes in Equity (Un-Audited)  
For the half year ended December 31, 2022**

(Amounts in Thousand)

| Particulars  | Share capital  | Reserves              |                |                       | Sub_total        | Total            |
|--|----------------|-----------------------|----------------|-----------------------|------------------|------------------|
|  |                | Capital Share Premium | Revenue        |                       |                  |                  |
|  |                |                       | General        | Unappropriated profit |                  |                  |
| Rupees   |                |                       |                |                       |                  |                  |
| Balance as at July 01, 2021  | 524,667        | 746,194               | 400,000        | 3,005,626             | 4,151,820        | 4,676,487        |
| Total comprehensive income for the half year ended December 31, 2021 | -              | -                     | -              | 2,220,012             | 2,220,012        | 2,220,012        |
| Balance as at December 31, 2021                                      | <u>524,667</u> | <u>746,194</u>        | <u>400,000</u> | <u>5,225,638</u>      | <u>6,371,832</u> | <u>6,896,499</u> |
| Balance as at July 01, 2022  | 524,667        | 746,194               | 400,000        | 6,442,402             | 7,588,596        | 8,113,263        |
| Total comprehensive income for the half year ended December 31, 2022 | -              | -                     | -              | 24,932                | 24,932           | 24,932           |
| Balance as at December 31, 2022                                      | <u>524,667</u> | <u>746,194</u>        | <u>400,000</u> | <u>6,467,334</u>      | <u>7,613,528</u> | <u>8,138,195</u> |

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

Karachi: Shaikh Mohammad Naveed Chief Executive  
Dated: February 15, 2023

Farhad Shaikh Mohammad  
Director

Kashif Javed  
Chief Financial Officer

**Selected Notes to the  
Condensed Interim Financial Statements (Un-Audited)  
For the half year ended December 31, 2022**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 The Company is limited by shares, incorporated in Pakistan on June 13, 1988 and is quoted on Pakistan Stock Exchange (Formerly: Karachi Stock Exchange Limited). The registered office of the Company is situated at 35-A/1, Lalazar area, opposite Beach Luxury Hotel, M. T. Khan road, Karachi in the province of Sindh, Pakistan.
- 1.2 The principal business of the Company is to manufacture and sale of yarn and greige fabric. The manufacturing units are located at Pattoki and Raiwind in the province of Punjab.

- a) Unit-I and II: Kot akbar Khan, 70 Km Multan Road, Tehsil Pattoki, District Kasur, Punjab.
- b) Unit-III & Weaving: Revenue Estate, Bhai Kot, Tablighi Chowk, Raiwind Road, Tehsil and District Lahore - Punjab.
- c) Unit-IV: Dars Road, Off Raiwind Manga Road, Bachuki Majha Distt. Kasur.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i- International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017, and
- ii- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements comprise of condensed interim statement of financial position, condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the selected notes for the half year ended December 31, 2022 which have not been audited. These condensed interim financial statements



have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017. These condensed interim financial statements do not include all the information as required in annual financial statements prepared in accordance with approved accounting standards as applicable in Pakistan, and should therefore be read in conjunction with the financial statements for the year ended June 30, 2022.

### 3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation which have been used in the preparation of these condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2022.
- 3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any impact on the accounting policies of the Company.

### 4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of these condensed interim financial information 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 recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

- 4.2 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, 2022.

### 5 PROPERTY, PLANT AND EQUIPMENT

|                                    | Note | (Un-audited)      |                  | (Audited) |           |
|------------------------------------|------|-------------------|------------------|-----------|-----------|
|                                    |      | 31-Dec-22         | 30-Jun-22        | 31-Dec-22 | 30-Jun-22 |
| Operating assets                   | 5.1  | 8,859,561         | 9,217,019        |           |           |
| Capital work in progress - at cost | 5.2  | 1,919,941         | 746,055          |           |           |
|                                    |      | <b>10,779,502</b> | <b>9,963,074</b> |           |           |

- 5.1 The cost of additions and deletions to property, plant and equipment during the half year ended were as follows.

|                       | 31-Dec-22        |                     | 31-Dec-21        |                     |
|-----------------------|------------------|---------------------|------------------|---------------------|
|                       | Acquisition Cost | Disposal Book Value | Acquisition Cost | Disposal Book Value |
| <b>Owned Assets</b>   |                  |                     |                  |                     |
| Building              | 1,854            | -                   | 109,917          | -                   |
| Plant and machinery   | 114,572          | 31,395              | 197,482          | 53,012              |
| Electric installation | 7,126            | -                   | 18,306           | -                   |
| Tools and equipment   | 2,610            | -                   | 1,982            | -                   |
| Furniture and fixture | 3,701            | -                   | 2,579            | -                   |
| Office equipment      | 1,143            | -                   | 3,831            | -                   |
| Computers             | 858              | -                   | 3,125            | -                   |
| Vehicles              | 1,013            | 14                  | 9,911            | 654                 |
|                       | <b>132,877</b>   | <b>31,410</b>       | <b>347,133</b>   | <b>53,666</b>       |

### 5.2 CAPITAL WORK IN PROGRESS

|                       | (Un-audited)     |                | (Audited) |           |
|-----------------------|------------------|----------------|-----------|-----------|
|                       | 31-Dec-22        | 30-Jun-22      | 31-Dec-22 | 30-Jun-22 |
| Building              | 512,890          | 309,603        |           |           |
| Plant and machinery   | 1,292,674        | 404,047        |           |           |
| Electric Installation | 114,377          | 32,405         |           |           |
|                       | <b>1,919,941</b> | <b>746,055</b> |           |           |

### 6 STOCK IN TRADE

Finished goods amounting to Rs. 429,240,167 (June 30, 2022 : Rs. 1,873,099) stated at their net realizable value aggregating Rs. 411,316,051 (June 30, 2022 : Rs. 1,192,122). The amount charged to profit or loss in respect of stocks written down to their net realizable value is Rs. 17,924,116 (June 30, 2022 : Rs. 680,977).

### 7 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 7.1, 7.2 and 7.3 respectively.

- 7.1 The Company has issued post dated cheques amounting to Rs. 394,360 million (June 30, 2022 : Rs. 229.857 million) in favor of Collector of Customs in lieu of custom levies against various statutory notifications. The indemnity bonds furnished by the Company are likely to be released after the fulfillment of term of related SROs.

9 EARNING/(LOSS) PER SHARE - BASIC AND DILUTED-RUPEE PER SHARE

|  | Half Year Ended |            | Quarter Ended |            |
|--|-----------------|------------|---------------|------------|
|  | 31-Dec-22       | 31-Dec-21  | 31-Dec-22     | 31-Dec-21  |
|  | Rupees in '000' |            |               |            |
| Profit / (Loss) for the period   | 24,932          | 2,220,012  | (354,150)     | 1,171,652  |
| Weighted average number of ordinary shares outstanding during the period | 52,466,749      | 52,466,749 | 52,466,749    | 52,466,749 |
| Earning / (Loss) per share- basic and diluted-Rupee                      | 0.48            | 42.31      | (6.75)        | 22.33      |

9.1 There is no dilutive effect on the basic earnings per share of the Company.

10 TRANSACTIONS WITH RELATED PARTIES

|                                       | (Un-audited)    | (Un-audited) |
|---------------------------------------|-----------------|--------------|
|                                       | 31-Dec-22       | 31-Dec-21    |
|                                       | Rupees in '000' |              |
| Transactions with related parties     |                 |              |
| MCB Bank Limited                      |                 |              |
| Deposits                              | -               | 1            |
| Din Leather (Pvt) Limited             |                 |              |
| Reimbursement of Expenses             | 6,095           | 3,901        |
| Din Industries Limited                |                 |              |
| Sale of Fabric                        | -               | 8,432        |
| Sale of Fixed Assets                  | -               | 11,692       |
| Sale of Cotton                        | 40,496          | -            |
| Sale of Stores                        | 35,393          | -            |
| Purchase of Fixed Assets              | -               | 3,100        |
| Purchase of Stores                    | -               | 1,994        |
| Reimbursement of Expenses             | 171             | -            |
| Salaries and other employees benefits | 66,071          | 85,842       |
| Staff retirement benefits             | 4,978           | 2,526        |

MCB Bank Limited Associated company

Din Leather (Pvt) Limited Associated company

Din Industries Limited Associated company

Sale of Fabric

Sale of Fixed Assets

Sale of Cotton

Sale of Stores

Purchase of Fixed Assets

Purchase of Stores

Reimbursement of Expenses

Salaries and other employees benefits

Staff retirement benefits

Key management personnel

Key management personnel

(Un-audited) (Audited)

31-Dec-22 30-Jun-22

7.2 Contingencies

Bank guarantees issued in ordinary course of business

1,052,384 919,524

7.3 Commitments

Letters of credit for capital expenditure  
Letter of credit for raw material  
Letter of credit for stores and spares

1,851,296 2,532,405  
4,723,096 3,427,300  
134,518 131,315

8 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

|                  | (Un-audited)    | (Audited)  |
|------------------|-----------------|------------|
|                  | 31-Dec-22       | 30-Jun-22  |
|                  | Rupees in '000' |            |
| Number of shares |                 |            |
| 36,798,155       | 36,798,155      | 36,798,155 |
| 1,962,334        | 1,962,334       | 19,623     |
| 13,706,260       | 13,706,260      | 137,063    |
|                  | 52,466,749      | 524,667    |

Ordinary shares of Rs. 10 each allotted for consideration paid in cash

Ordinary shares of Rs. 10 each allotted for consideration of amalgamation of power plant

Ordinary shares of Rs. 10 each allotted as fully paid bonus shares

8.1 Associated company, Din Corporation (Pvt.) Limited, held 6,469,187 (June 30, 2022 : 6,469,187) ordinary shares of the Company.

8.2 Associated company, Din Industries Management (Pvt.) Limited, held 5,679,742 (June 30, 2022 : 5,679,742) ordinary shares of the Company.

8.3 The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

|  | (Un-audited) |           | (Audited) |           |
|--|--------------|-----------|-----------|-----------|
|  | 31-Dec-22    | 30-Jun-22 | 31-Dec-22 | 30-Jun-22 |
| Balances outstanding at the period end |              |           |           |           |
| MCB Bank Limited                       | 945          |           | 945       |           |
| Din Leather (Pvt) Limited              | 884          |           | 971       |           |
| Din Industries Limited                 | 41,411       |           | 50        |           |

## 11 SEGMENT ANALYSIS

### 11.1 SEGMENT RESULTS

|   | Rupees in Thousands |           |                |            |
|---|---------------------|-----------|----------------|------------|
|   | Spinning            | Weaving   | Other Segments | Total      |
| <b>For the half year ended 31 December 2022</b> |                     |           |                |            |
| Revenue - External customers                    | 10,990,439          | 3,011,237 | 229,162        | 14,230,838 |
| Revenue - Inter-segments                        | 1,539,638           | -         | 1,475,352      | 3,014,990  |
| Segment results                                 | 1,342,007           | 173,302   | (190,757)      | 1,324,552  |

### For the half year ended 31 December 2021

|                              |            |           |           |            |
|------------------------------|------------|-----------|-----------|------------|
| Revenue - External customers | 11,187,491 | 2,665,100 | 250,674   | 14,103,265 |
| Revenue - Inter-segments     | 895,436    | -         | 1,217,428 | 2,112,864  |
| Segment results              | 2,652,201  | 288,941   | 63,524    | 3,004,666  |

Reconciliation of operating results with profit after tax is as follows:

|                           | (Un-audited)   |                  | (Un-audited)   |                  |
|---------------------------|----------------|------------------|----------------|------------------|
|                           | 31-Dec-22      | 31-Dec-21        | 31-Dec-22      | 31-Dec-21        |
| Total results of segments | 1,324,552      | 3,004,666        | 1,324,552      | 3,004,666        |
| Other operating expenses  | (44,629)       | (187,896)        | (44,629)       | (187,896)        |
| Finance cost              | (1,221,896)    | (507,960)        | (1,221,896)    | (507,960)        |
| Other income              | 71,005         | 61,146           | 71,005         | 61,146           |
| Profit before taxation    | <b>129,032</b> | <b>2,369,956</b> | <b>129,032</b> | <b>2,369,956</b> |
| Taxation                  | (104,100)      | (149,944)        | (104,100)      | (149,944)        |
| Profit for the period     | <b>24,932</b>  | <b>2,220,012</b> | <b>24,932</b>  | <b>2,220,012</b> |

### 11.2 SEGMENT ASSETS AND LIABILITIES

|                               | Rupees in Thousands |           |                |            |
|-------------------------------|---------------------|-----------|----------------|------------|
|                               | Spinning            | Weaving   | Other Segments | Total      |
| <b>As at 31 December 2022</b> |                     |           |                |            |
| Segment Assets                | 22,522,302          | 5,306,032 | 1,905,020      | 29,733,354 |
| Segment Liabilities           | 15,509,856          | 2,405,470 | 1,030,426      | 18,945,752 |
| <b>As at 30 June 2022</b>     |                     |           |                |            |
| Segment Assets                | 19,101,404          | 4,833,917 | 1,922,841      | 25,858,161 |
| Segment Liabilities           | 12,363,018          | 2,573,578 | 1,059,368      | 15,995,964 |

Reconciliation of segment assets and liabilities with total assets and liabilities is as follows:

|  | (Un-audited)      |                   | (Audited)         |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 31-Dec-22         | 30-Jun-22         | 31-Dec-22         | 30-Jun-22         |
| Rupees in '000'  |                   |                   |                   |                   |
| <b>Assets:</b>   |                   |                   |                   |                   |
| Total segment assets   | 29,733,354        | 25,858,161        | 29,733,354        | 25,858,161        |
| Unallocated assets   | 2,532,209         | 2,252,534         | 2,532,209         | 2,252,534         |
| Total assets as per interim statement of financial position      | <b>32,265,563</b> | <b>28,110,695</b> | <b>32,265,563</b> | <b>28,110,695</b> |
| <b>Liabilities:</b>  |                   |                   |                   |                   |
| Total segment liabilities  | 18,945,752        | 15,995,964        | 18,945,752        | 15,995,964        |
| Unallocated liabilities  | 5,181,616         | 4,001,468         | 5,181,616         | 4,001,468         |
| Total liabilities as per interim statement of financial position | <b>24,127,368</b> | <b>19,997,432</b> | <b>24,127,368</b> | <b>19,997,432</b> |

## 12 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on February 15, 2023 by the Board of Directors of the Company.

## 13 GENERAL

Figures have been rounded off to the nearest thousand rupees.

Karachi: Shaikh Mohammad Naveed  
Dated: February 15, 2023  
Chief Executive

Farhad Shaikh Mohammad  
Director

Kashif Javed  
Chief Financial Officer

امکان نہیں ہے اور یہ ہو سکتا ہے خدا نہ کرے مجموعی طور پر انڈسٹری کو بند کر دیں۔

سی ای او میں تبدیلی

بورڈ نے جناب شیخ محمد تنویر کے استعفیٰ کے بعد جناب شیخ محمد نوید کو 06 فروری 2023 سے نیا چیف ایگزیکٹو آفیسر مقرر کیا ہے۔ بورڈ جناب شیخ محمد تنویر کی خدمات کا اعتراف اور سراہتا ہے اور جناب شیخ محمد نوید کو ان کے نئے کردار میں کامیابی کا خواہشمند ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز حمایت، معاونت اور رہنمائی کے لئے قابل قدر شیئر ہولڈرز، بینکاروں، سیکورٹیز اینڈ اینجینئرنگ کمیشن اور پاکستان اسٹاک ایکسچینج کے انتظامیہ کے شکرگزار ہیں۔ بورڈ آف ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی مسلسل خدمات، وفاداری اور کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

شیخ محمد نوید  
چیف ایگزیکٹو  
فرہاد شیخ محمد  
ڈائریکٹر

کراچی:

تاریخ: 15 فروری 2023ء

عام مارکیٹ کے حالات

موجودہ مدت کے دوران، مقامی اور بین الاقوامی مارکیٹ دونوں میں ٹیکسٹائل مصنوعات کی طلب میں نمایاں کمی ہوئی ہے۔ پاکستان کی ٹیکسٹائل برآمدات جولائی 2022 میں 11 ماہ کی کم سطح پر پہنچ گئیں۔ پاکستان میں کپاس کی پیداوار اس سال ملک میں بہت زیادہ سیلابوں کی وجہ سے 11 ملین کے ہدف کے موازنہ میں اس سیزن میں فقط 4.7 ملین گانٹھیں (ہر ایک 170 کلوگرام) رہی ہے۔ اس نے سپننگ صنعت کو تاریخ کے مقابلے نمایاں زیادہ مقدار میں خام کپاس درآمد کرنے پر مجبور کر دیا لیکن معاشی حالات کو سنبھالنے کے لئے حکومتی پالیسیوں کی وجہ سے پورے پاکستان کی درآمدات رکی ہوئی ہے۔ اس سارے منظر نامہ نے پاکستان میں ٹیکسٹائل کی مجموعی صنعت کو بھاری نقصان پہنچایا۔ برآمدات کے لیے پاکستان کی ٹیکسٹائل کی پیداواری صلاحیت کا تقریباً 30 فیصد کپاس، درآمدی پابندیوں اور توانائی کی قیمتوں کی وجہ سے متاثر ہوا ہے۔ حکومت کی مہنگائی کا مقابلہ کرنے کے لیے بلند شرح سود برقرار رکھنے کی رجعت پسندانہ پالیسی کی وجہ سے صورتحال مزید خراب ہو گئی ہے۔ برآمد کنندگان کی ورکنگ کیپیٹل کی ضروریات میں بے تحاشہ اضافہ ہوا ہے اور مطلوبہ فنانس دستیاب نہیں ہے، اور جب دستیاب ہو غیر معقول حد تک زیادہ شرح سود کی وجہ سے تو یہ انتہائی مہنگا ہے، جو ٹیکسٹائل کی صنعت کو خطے میں غیر مسابقتی بناتی ہے۔ نتیجتاً ٹیکسٹائل انڈسٹری کے 100 سے زیادہ چھوٹے اور بڑے بزنس نے پیداواری سطح میں کمی یا پلاس بند کر دیئے ہیں۔

مستقبل کا نقطہ نظر

پیداواری لاگت میں نمایاں اضافے کی وجہ سے ٹیکسٹائل کی آخری مصنوعات کی قیمتیں بڑھ جاتی ہیں جبکہ عالمی سطح پر مجموعی طور پر بلند افراط زر کے نتیجے میں صارفین کی توت خرید میں کمی واقع ہوتی ہے۔ یہ عوامل طلب میں کمی کا باعث بنتے ہیں۔ خام کپاس، توانائی اور مہنگائی کی قیمتوں میں خاطر خواہ اضافہ ہوا ہے اور حکومت توانائی کی قیمتوں اور شرح سود میں مزید اضافہ کرنے کی منصوبہ بندی کر رہی ہے جس سے آنے والے دنوں میں مہنگائی بھی بہت بری طرح بڑھے گی۔ پاکستان کی سیاسی صورتحال کے ساتھ ساتھ مقامی اور بین الاقوامی منڈی کے موجودہ حالات کی وجہ سے، موجودہ مالی سال بہت سے چیلنجوں سے دوچار ہے۔ تاہم، اگر سال کی تیسری یا چوتھی سہ ماہی سے صارف کی جانب سے اگر طلب دیکھی گئی تو صورت حال بہتر ہونے کا امکان ہے، لیکن اگر حکومت سبسڈی واپس لینے یا بجلی اور گیس / آرائل این جی کی قیمتوں میں اضافے کا فیصلہ کرتی ہے، تو اس میں بہتری کا کوئی

## مجلس نظماًء کی رپورٹ

"شروع اللہ کے بابرکت نام سے جو رحمن اور بڑا رحم کرنے والا ہے"

محترم حصص یافتگان

"بورڈ آف ڈائریکٹرز کمیٹیز ایکٹ 2017 کے تقاضوں کے مطابق 31 دسمبر 2022 کو مختتمہ ششماہی میں کمپنی کے غیر نظر ثانی شدہ مالی حسابات پیش کرتے ہوئے خوشی محسوس کر رہا ہے"

مالیاتی نتائج

"زیر جائزہ پہلی ششماہی کے دوران کمپنی کے اہم مالیاتی نتائج کا گذشتہ سال کی اسی ششماہی سے موازنہ حسب ذیل ہے:

| فیصدی اضافہ / (کمی) | 31 دسمبر 2021 | 31 دسمبر 2022 |
|---------------------|---------------|---------------|
| 0.90                | 14,103,265    | 14,230,838    |
| (46.35)             | 3,281,242     | 1,760,449     |
| (94.56)             | 2,369,956     | 129,032       |
| (98.88)             | 2,220,012     | 24,932        |
|                     | 23.27         | 12.37         |
|                     | 15.74         | 0.18          |
|                     | 42.31         | 0.48          |

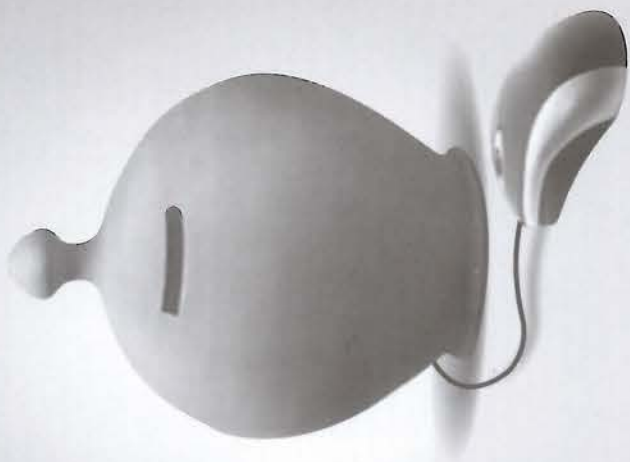
کمپنی کے مالی نتائج گذشتہ سال ختم ہونے والی ششماہی کی کارکردگی کے مقابلے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں کافی کم ہوئے ہیں۔ جس کی بڑی وجہ اقتصادی گراوٹ اور ٹیکسٹائل مصنوعات میں کی طلب میں کمی، خام مال کی قیمت میں نمایاں اضافہ، گذشتہ اسی مدت کے مقابلے بہت زیادہ مالی لاگت ہے۔ ہماری انتظامیہ دانشمندانہ سٹریٹجک پلاننگ کے ساتھ ریورس کا زیادہ سے زیادہ استعمال کرنے کے لئے اپنی بہترین کوششیں کر رہی ہے۔



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- ایک ڈیویڈنڈ
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- ٹیکسٹ
- کیلکولیٹر
- انڈیکس سٹریٹجی



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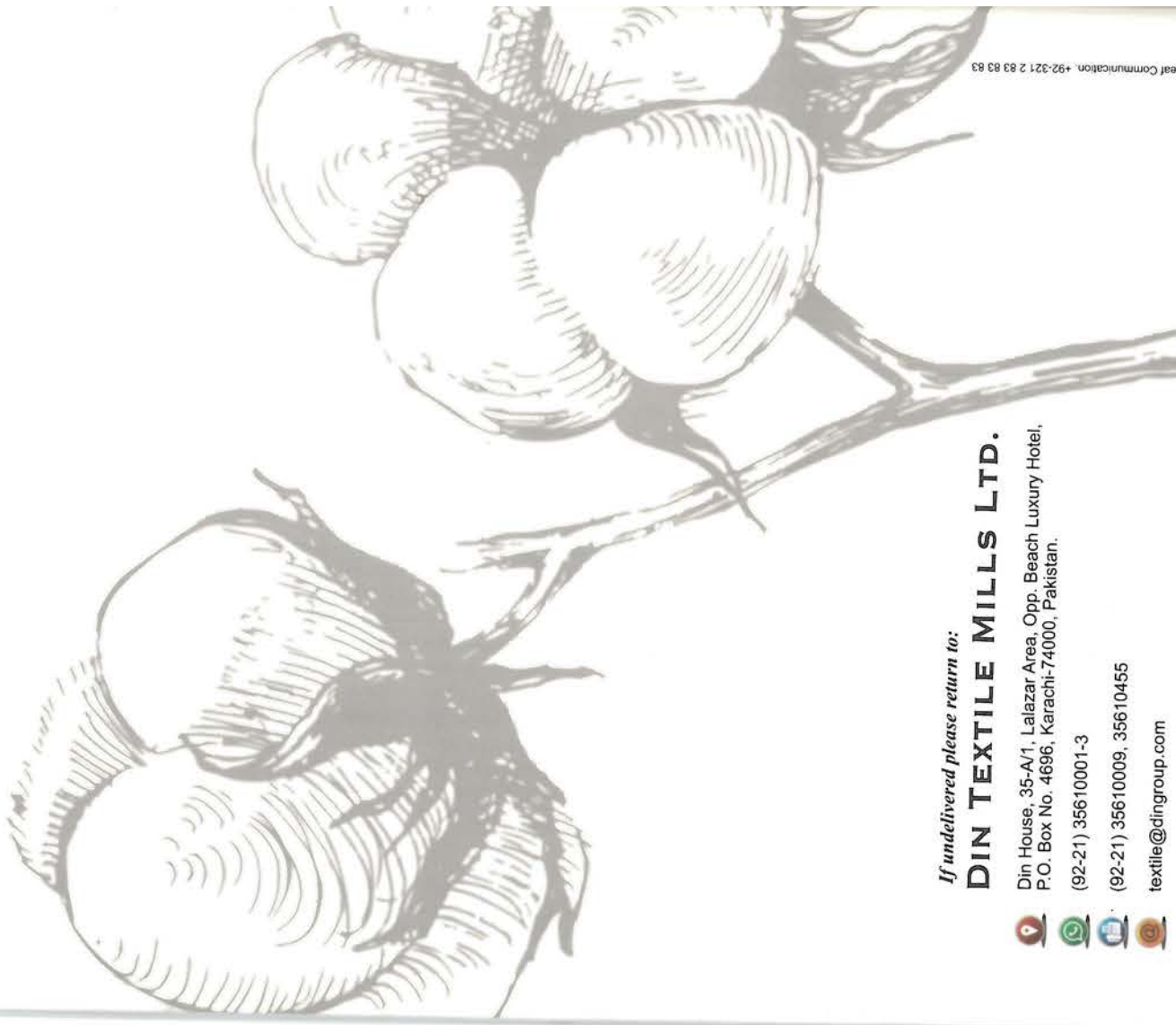


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