

Din[®]

Din Textile Mills Ltd.



DIN GROUP

30th Annual Report
2017



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OUR VISION

We aim at transforming Din Textile Mills Ltd. (DTML) into a Complete Textile unit to further explore international market of very high value products. Our emphasis would be on product and market diversification, value addition and cost effectiveness. We intend to fully equip the Company acquire pioneer role in the economic development of the country.



OUR MISSION

The Company should secure and provide a rewarding return on investment to its shareholders and investor, quality products to its customer, a secured and friendly environment at place of work to its employees and present itself a reliable partner to all business associates.



OUR AMBITION

Leading Textile Sector through innovation, value addition, Contributing significant role in social and economic sector of the Country.



CORPORATE INFORMATION

Board of Directors

Shaikh Mohammad Muneer

Shaikh Mohammad Pervez

Shaikh Muhammad Tanveer

Shaikh Mohammad Naveed

Mr. Fawad Jawed

Mr. Farhad Shaikh Mohammad

Mr. Abdul Razzak

Chairman

Director

Chief Executive

Director

Director

Director

Director

Company Secretary

Mr. Islam Ahmed

Chief Financial Officer

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

Auditors

Naveed Zafar Ashfaq Jaffery & Co.,
Chartered Accountants

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: 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

BANKERS

Allied Bank Limited

Bank Alfalah Limited

Bank Al-Habib Limited

Dubai Islamic Bank Pakistan Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

MCB Bank Limited

Meezan Bank Limited

National Bank of Pakistan

Standard Chartered Bank (Pakistan) Limited

Audit Committee

Mr. Abdul Razzak

Shaikh Mohammad Pervez

Mr. Farhad Shaikh Mohammad

Chairman

Member

Member

Human Resource and Remuneration Committee

Shaikh Mohammad Pervez

Mr. Fawad Jawed

Mr. Abdul Razzak

Chairman

Member

Member



COMPANY PROFILE

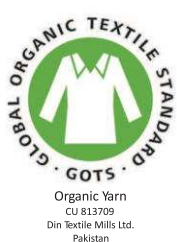
From the day of inception, Din Textile has been constantly striving to achieve excellence and generate highest value for all of its stakeholders. Today Din Textile holds an unchallenged position at forefront of industry, within the country and overseas for its groundbreaking developments and innovative products line, Din Textile has gained immense trust for delivering superior quality products for exceeding the customer expectations. This is a testimony to Din's unwavering commitment to total satisfaction of its customers.

Under the dynamic leadership of the Group and strong Human Resource, Din Textile Mills Ltd. was founded in 1987 and in a very short time become an icon for the value added spinning industry in Pakistan. With four state-of-the-art spinning units and 1 dyeing unit located at Multan Road Pattoki and Raiwind having Consolidated annual production capacity of yarn 31.702/-Million-Kgs and dyeing of Fiber and Yarn 4.38 million Kgs.

With an consolidated annual turnover of Rs 7.421 billion, today Din Textile Mills Ltd. employs over 2,598 employees. Din's aims to create superior value for our customers and stakeholders without compromising on commitments to safety, environment, health, and other social responsibilities for the communities in which we operates.

OUR PRODUCT RANGE FROM:

- | | | | |
|---------------------|----------------|-----------|--------------|
| Combed Compact Yarn | Core Spun Yarn | Dyed Yarn | Mélange Yarn |
| Slub Lycra Yarn | Slub Yarn | Ply Yarn | Gassed Yarn |





BOARD OF DIRECTORS

Shaikh Mohammad Muneer

Chairman

Shaikh Mohammad Muneer is the Chairman of Din Textile Mills Limited (Din Group of Companies). He also holds the position as Vice Chairman of MCB Bank Ltd, Patron-in-Chief of Korangi Association of Trade & Industry (KATI) and Patron-in-Chief of Friends of Burns Centre, Civil Hospital. He is also the Chairman of Chiniot Anjuman-e-Islamia, running various schools/colleges/hospitals and maternity homes & also involved in many other social and welfare activities across the globe.

Under his dynamic leadership and missionary zeal Din Group has been awarded various Best Export Performance Trophies by FPCCI for its highest exports and has also been awarded twice Top 25 Companies Award of the Karachi Stock Exchange by the Prime Minister of Pakistan. He has been awarded Best Business Man of the year award by FPCCI, "SITARA-I-ISAAR" in 2006 and "SITARA-I-IMTIAZ" in 2007 by the President of Pakistan. He has been awarded twice the Degree of Doctorate of Philosophy, by Governor of Sindh Pakistan. He has also been awarded **Life Time Achievement Award** by then President of Pakistan.

He has been the Chairman of All Pakistan Tanners Association for Seven terms, The Chairman of Korangi Association of Trade and Industry for Two Terms, and has been President of Federation of Pakistan Chambers of Commerce & Industry (FPCCI) & Chairman MCB Bank Ltd.

Additional current holding position:

- Fatimid Blood Foundation, Board of Governors of College of Business Management (CBM) Karachi.
- Board of Governors of Greenwich University, Karachi.
- Board of Governors of Kidney Centre of Post Graduate Training Institute. Karachi
- Board of Governors of Shaukat Khanum Memorial Trust, Lahore
- Voice Chairmain of MCB Bank Limited.

Shaikh Mohammad Pervez

Director

Shaikh Mohammad Pervez is the Non Executive Director of Din Textile Mills Limited. (Unit of Din Group of Companies) After completion his academic life, he joined his family business in 1971. He has played a vital role in the growth and success of the Group. He is actively engaged in many social and welfare projects which are running for the cause of humanity and are helping the needy and poor people. He is also Vice president of Patient Behbood Society, Agha Khan University Hospital, Karachi.

Shaikh Muhammad Tanveer

Chief Executive

Shaikh Muhammad Tanveer is the Executive Director of Din Textile Mills Limited. (Unit of Din Group of Companies) After joining as Director of Din Textile Mills his contribution in the growth of company's business is remarkable. He has also visited many countries of the World as individual businessmen and also together with business delegates, as a member or as a leader of the delegation.

He has been the Chairman of Punjab Industrial Estate (PIE) till March 2016, and actively involved in various Business and industrial Development projects of the Govt. of Punjab.

He has been Chairman of All Pakistan Textile Mills Association till September 2015. In his tenor APTM Achieved remarkable milestones for the Development of Textile Sector in Pakistan.

He is also got certification as Certified Director (as required by Code of Corporate Governance issued by the Security and exchange commission of Pakistan) in 2015 under Director Training Program held by Institute of Chartered Accountants of Pakistan.

Shaikh Mohammad Naveed

Director

Shaikh Mohammad Naveed Naveed is the Executive Director of Din Textile Mills Ltd. (unit of Din Group of Companies).

He is Graduate from Boston University (BU), USA. in Bachelor of Science in Business Administration (BSBA) and Bachelor of Arts in Economic(BA Econ) . He is a Qualified ISO-9000 Auditor from International Registrar of Certified Auditors (IRCA) & Microsoft Certified Professional (MCP).

Being a Director of Din Textile Mills Ltd., his prime responsibility is to take care of the Balancing/ Modernization of Textile spinning, Dyeing, Power plants and procurement of the company to meet high quality standard of the products.

In addition to the above, he is also;-

- Elected President Pakistan-China Joint Chamber of commerce and Industry (PCJCCI)2017-2018.

Mr. Fawad Jawed

Director

Mr. Fawad Jawed is the Non Executive Director of Din Textile Mills Ltd. (Din Group of Companies). He is a business graduate from USA and is actively looking after Purchase of Dingroup of Companies. He is also actively involved in philanthropy.

In addition to the above, he is also;-

- Director of Din Leather (Pvt.) Limited.
- Director of Din Energy Limited.
- Director of Din Power Limited.
- Director of Din Wind Limited
- Director of Din Farm Product (pvt.) Limited
- Chairman of Pakistan Tanners Association in 2103-14
- Vice Chairman of Pakistan Tanners Association in 2011-12
- Convener of CPLC NC PTA Korangi.
- Vice Chairman of "Law & Order" Committee Korangi Association of Trade & Industry. (KATI) Karachi 2012-14

Mr. Farhad Shaikh Mohammad

Director

Mr. Farhad Shaikh Mohammad is the Non Executive Director of Din Textile Mills Ltd. (Din Group of Companies). He is a finance graduate and has conducted various courses such as Corporate Governance Leadership and Corporate Finance Management. He has been invited as guest speaker at many universities and conferences. He is engaged in the matters of finance and accounts of the Din Group of Industries. He is also actively involved in philanthropy.

In addition to the above, he is also;-

- Director of Din Leather (Pvt.) Limited.
- Director of Din Energy Limited.
- Director of Din Power Limited.
- Director of Din Wind Limited.
- Director of Din Corporation (pvt) Limited.
- Director of Din Developments (pvt) Limited.
- Director of Din sphere (pvt) Limited.
- Director of Fauji Fertilizer Company Limited

Mr. Abdul Razzak

Director

Mr. Abdul Razzak is as independent Director of Din Textile Mills Limited. After completion his academic life he joined his family business in 1991. It is expected that he will play a success role in the growth and success of the company. He also participate in many social and welfare activities and he is a member of Trade bodies like Korangi Association of Trade and Industry etc.



BOARD OF DIRECTORS COMMITTEES

1- AUDIT COMMITTEE

The Board has set up an independent audit function headed by a qualified and full time employee of the company reporting to the chairman. The Scope of Internal auditing within the Company is clearly defined in compliance of Clause (XXIV) of Code of Corporate Governance 2012.

A strong control environment and established internal control framework exists in the company comprising clear structures, segregation of duties, authorization limits for the Company officials for operating bank accounts and approving expenditures, well-define polices and procedure and budgeting and review processes to reduce the risk of undetected error / fraud and limit opportunities for misappropriation of assets or concealment of intentional misstatements.

The audit committee is a committee comprising of Non-Executive Directors that assists to the Board in a manner provided in the Code of Corporate Governance issued by SECP and forming part of the Listing Regulations of the Stock Exchanges in Pakistan. The audit committee of Din Textile Mills Ltd. comprises of non Executive Directors one of them is chairman of the committee.

Committee of Din Textile Mills Ltd. comprises of the following :

1	Mr. Adul Razzak	(Independent / Non-Executive Director)	Chairman
2	Shaikh Mohammad Pervez	(Non-Executive Director)	Member
3	Mr. Farhad Shaikh Mohammad	(Non-Executive Director)	Member
4	Mr. Islam Ahmed		Secretary

Meetings of the Committee

S. No.	Name of Director	Total No. of Meeting	Meeting Attend
1	Mr. Adul Razzak	4	4
2	Shaikh Mohammad Pervez	4	3
3	Mr. Farhad Shaikh Mohammad	4	4

The terms of reference of the audit committee shall also include the following:

- I- The Audit Committee shall, inter alia, recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision by the external auditors of any service to the company in addition to audit of its financial statements.
- II- Determination of appropriate measures to safeguard the company's assets;
- III- Review of quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - The going concern assumption;
 - Any changes in accounting policies and practices;
 - Compliance with applicable accounting standards;
 - Compliance with listing regulations and other statutory and regulatory requirements; and
 - Significant related party transactions.
- IV- Review of preliminary announcements of results prior to publication;
- V- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- VI- Review of management letter issued by external auditors and management's response thereto;
- VII- Ensuring coordination between the internal and external auditors of the company;
- VIII- Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- IX- Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- X- Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- XI- Review of the company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- XII- Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the CEO and to consider remittance of any matter to the external auditors or to any other external body;
- XIII- Determination of compliance with relevant statutory requirements;
- XIV- Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and
- XV- Consideration of any other issue or matter as may be assigned by the Board of Directors.

2- HUMAN RESOURCE AND REMUNERATION COMMITTEE (HR & R)

Human Resource and Remuneration (HR&R) Committee have three members comprising of non-executive directors Including Chairman of the Committee.

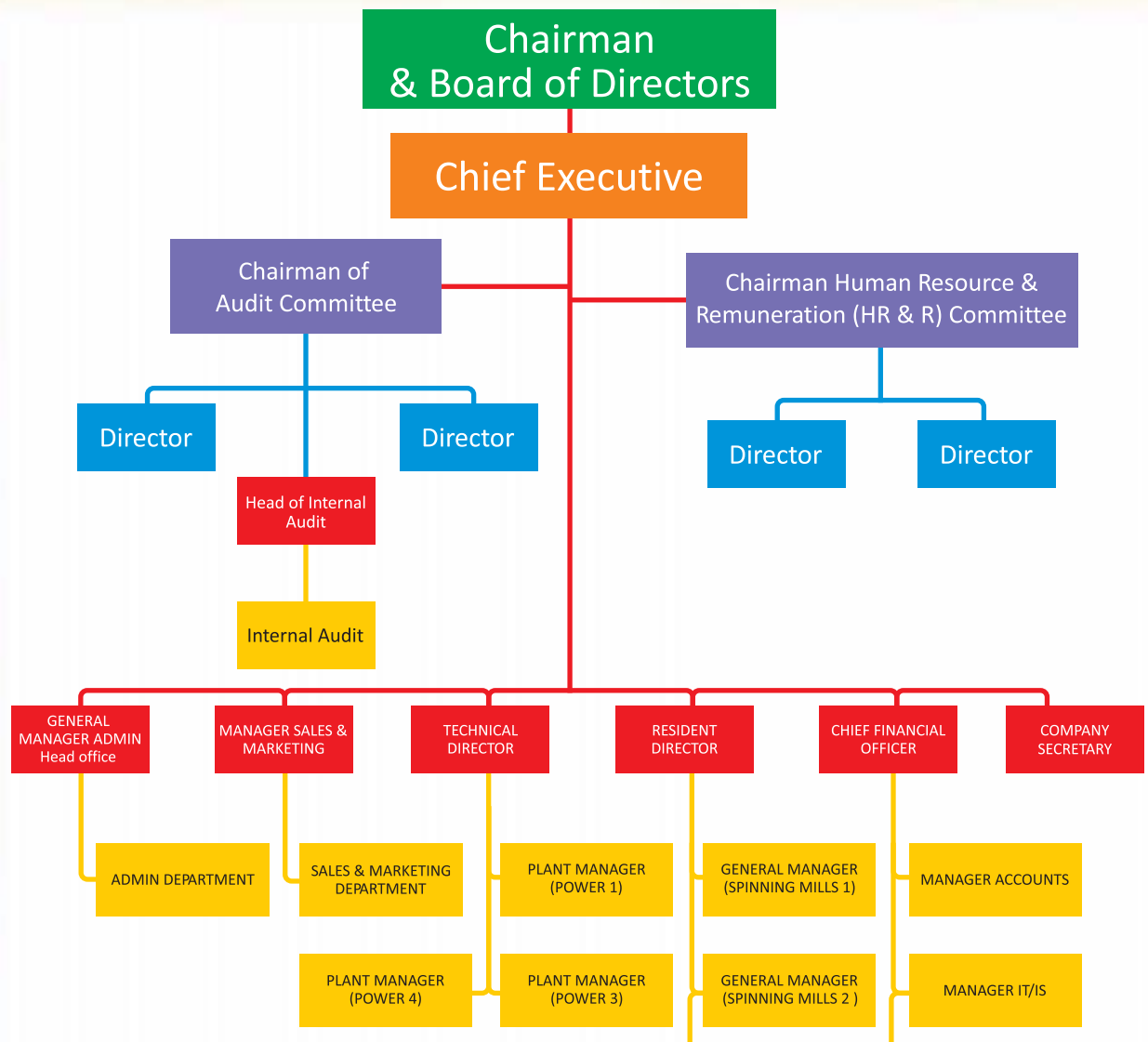
HR & R COMMITTEE MEMBERS

1	Shaikh Mohammad Pervez	(Non-Executive Director)	Chairman
2	Mr. Fawad Jawed	(Non-Executive Director)	Member
3	Mr. Abdul Razzak	(Independent / Non-Executive Director)	Member
4	Mr. Amir Riaz Qureshi		Secretary

S. No.	Name of Director	Total No. of Meeting	Meeting Attend
1	Shaikh Mohammad Pervez	1	1
2	Mr. Fawad Jawed	1	1
3	Mr. Abdul Razzak	1	1

The terms of reference of the HR & R committee shall also include the following:

- I- Recommending human resource management policies to the board;
- II- Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO
- III- Recommending to the board the selection, evaluation, compensation (including retirement benefits) of CFO, Company Secretary and Head of Internal Audit. This will included benefits in kind, compansation payments, including any compansastion payable for loss or termination of their office or appointment; and
- IV- Consideration and approval on recommendations of CEO on such matters for key management positions who report directly to CEO.
 - a. The remuneration of executive and nonexecutive Directors shall not fall within the preview of the HR & R Committee.
 - b. Recommendations in respect of compensation including performance incentives will ensure that:
 - The Company is able to recruit, motivate and retain persons of high ability, caliber and integrity.
 - The packages are consistent with what is normal in industry and / or specific job wise, as determined through surveys conducted.
 - Incentives where applicable are based on criteria which have been carefully examined, discussed and authorized.
 - c. Selection recommendation should ensure that the Company has a formal selection procedure which provides for;
 - A description of the position that requires to be filled with a profile of the ideal candidate;
 - Selection Boards for various levels of recruitment;
 - d. Performance evaluation should:
 - Be based on procedures formally specified and which override individual likes and dislikes;
 - Provide for a discussion of the Annual Performance Report with each manager concerned.
 - e. The Committee will also:
 - Review and approve compensation payable to senior management for any loss or on termination of service to ensure that it is consistent with contractual terms and is otherwise fair.
 - Review and advice on the training, development and succession planning for the senior management with reference to the Board's corporate goals and objectives.
 - Devise a procedure for the approval of HR related policies of the Company.
 - Review from time to time as appropriate these Terms of Reference and the effectiveness of the Committee and recommend to the Board any necessary changes



ORGANIZATION STRUCTURE

Shaikh Mohammad Muneer	(Chairman)
Shaikh Mohammad Pervez	(Director)
Shaikh Muhammad Tanveer	(Chief Executive)
Shaikh Mohammad Naveed	(Director)
Mr. Fawad Jawed	(Director)
Mr. Farhad Shaikh Mohammad	(Director)
Mr. Abdul Razzak	(Director)
Mr. Mehmood Tariq	(Resident Director)
Mr. Tariq Shahab Ansari	(Technical Director)
Mr. Islam Ahmed	(Company Secretary)
Mr. Shaukat Hussain Ch.	(Chief Financial Officer)
Major (R) Kamran Hafeez	(GM. Administration)
Mr. Kashif Javed	(Head of Internal Audit)
Mr. Ashiq Jan	(Manager Sales)



OUR CORE VALUES

DEDICATION TO CORE VALUES

Several features which have contributed to our growth and reputation include the exceedingly professional, high quality textile products for the various manufacturing companies. Out of all the factors, the most significant is our unwavering commitment to our Core Values. Our plans, and approach towards the market, changes in accordance with the varying market conditions. Din's Core values will prove to be consistent to overcome future challenges.



Customer Orientation and Satisfaction.

To achieve success, we believe in listening our customers and considering their needs. Everything we do encompasses the fact that our customers remain satisfied in all aspects.



Responsiveness with Excellence.

We strive for superior quality, even with the smallest task assigned. We are responsive to our customers, prospects and partners, separating Core Matrix from our competitors.



Integrity and Honesty.

Core matrix is intolerant towards any legal or ethical breaches. We believe in the highest level of integrity, sincerity and honesty.



Exceeding Expectation with Team Work.

In order to exceed the expectations of our customers, we respect each individual by contributing equally to the success of each effort laid.



Professionalism and Respect.

Professionalism and Courtesy has always been the prior concern of our code of conduct.



Communication.

In order to achieve positive outcomes, we believe in being open and honest with the give-and-take with customers, partners and peers.



Result Oriented.

Core matrix must address each challenge with a "result-oriented" approach, and focus on the solution of the problems that arise.



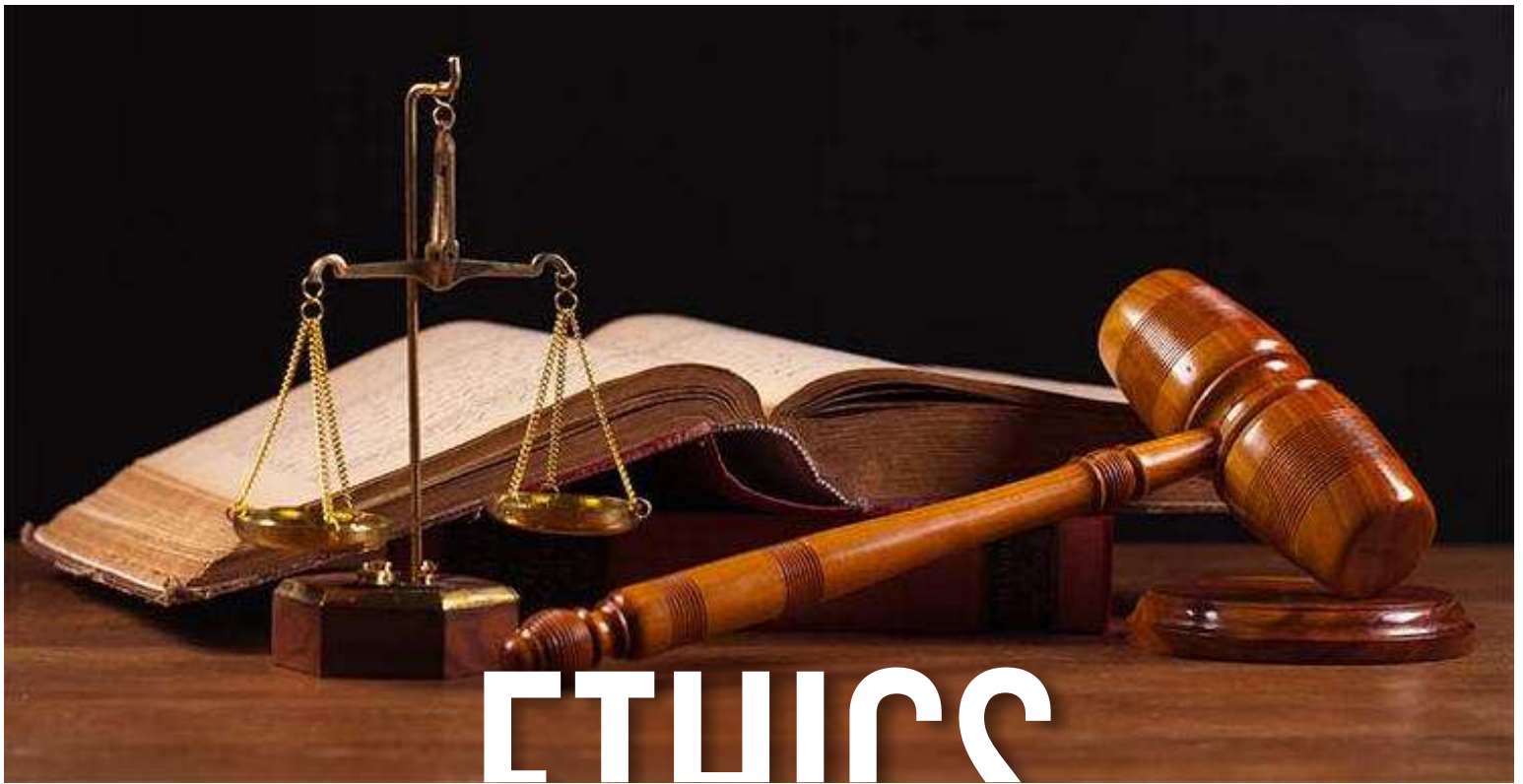
Quality.

Commitment and dedication can be observed with all that we do from emails, to proposals, to customer documents and meetings, to the phone calls, as well as training sessions.



Entrepreneurship.

There is passion and the ability to observe greater opportunities in every task we undertake.



ETHICS

CODE OF ETHICS

STATEMENT OF ETHICS AND BUSINESS PRACTICES For the year ended June 30, 2017

Policy Statement

The core values of Din Textile Mills Ltd. which are the vital part of our Success, Integrity, Honesty, Professionalism and Respect in all our business practices; are backed up by the creativity & passion of our people.

The loyalty and confidence in our products and services is because of our solemnity in our business relations with our Customers, Suppliers, Shareholders, Regulatory Agencies and the community as general. This is only possible because of the leaders at Din Textile who consider all this their one of the prime responsibility of setting example through personal performances and excellent attitudes to convey the ethical values to each Individual at Din Textile Mills Ltd.

For retaining our glory and reputation, an uncompromising adherence to ethical excellence is integral for sustaining and creating the necessary strong foundation on which Din Textile had & can 'Grow and Prosper!' People at Din Textile today and in future, must be aware of and contribute for the high achieving standards required in all our business practices.

Scope

The Board of Directors on the whole is responsible for the appliance of ethical business practices and principles, which is applicable to every individual of Din Textile Mills Ltd. The word 'Individual' refers to you and your use in this code includes all employees and officers.

Principles:

1. Din's Commitment to Its People

➤ **Share ownership**

The key objective of Din Textile is to ensure its people are able to share the value which they helped to create. This is achieved through the promotion of staff share ownership.

➤ **Equal Opportunities**

Din Textile values the Individuality, Diversity and Creative potential that every individual brings to its business. All employees are treated with equal respect and dignity and are provided with equality of opportunity to develop themselves and their careers.

We want to attract, develop and motivate the best people. We are creating a working environment that is open, honest and unprejudiced, which encourages people to achieve their full potential. We value people Individuality and team contributions and offer opportunities to share in the company commercial success.

➤ **Employment, Discrimination and Harassment**

Din Textile policy is to respect the human rights of all individuals complying with National Laws considering working hours and good compensation. Din Textile enforces strict prohibition on the use of forced or child labor.

To Din Textile the harassment or discrimination of any individual is unacceptable. In particular, sexual and racial discrimination or harassment is totally unacceptable.

Human Capital Administrators & Managers are required to take account of the core International Labor Organization conventions and strive to observe the United Nation Declarations on human rights, for a guaranteed respected if the individual at Din Textile. What needs to be observed in particular is as follow: " Universal respect for an observance of human rights and fundamental freedom for all without any discrimination. We remunerate fairly with respect to skill, performance, our peers and local conditions."

2. What Din Textile requires of its people

➤ **Compliance With Laws**

Din Textile, with its individuals, must comply with the laws and regulations of any country in which it is operating business. The policy applies without any exceptions. Particular areas to be noted here control the competition aspect, along with the communication laws. These concern safety, health and the environment as well. It is the responsibility of Din's individuals to ensure, by taking appropriate advice by making them aware of all the relevant local laws.

Din Textile complies with the Listing, the Prospectus, and the Disclosure and Transparency Rules.

➤ **Security of Information**

Information generated within the organization including computer programs, is the property of Din Textile, and should not be disclosed without proper authority and authentication unless legally required.

➤ **Use of Information for personal gain**

Individuals must not use confidential information obtained during their employment in Din Textile for personal gains. Individuals responsible for maintaining the secrecy and confidentiality of the sensitive and unpublished data and information of Din Textile must not provide that to any other individual outside the organization. The organization has enforced a strict share dealing code which prohibits individuals to trade the information internally.

➤ **Bribes**

Bribes are strictly prohibited to or from customers. Din Textile funds must not be used for the payments; direct or indirect, to government officials or individuals of state organizations for any unlawful or improper purpose.

➤ **Political Donations**

Financial donations to political parties or for promotion of any political cause are strictly prohibited. Payments or gifts to any individual influencing any political decision for obtaining or retaining Din Textile business, is unacceptable.

➤ **Conflicts of interest**

Individuals of Din Textile must avoid situations in which their personal or financial interests conflicts with those of the Din Textile while dealing with the Customers, Suppliers, Contractors, Competitors, Partners or any individual doing or seeking business from Din Textile. The individuals of Din Textile should act in favor of the group and personal preferences should not be a prior concern. Every Din's Individual is welcomed for a sound advice when ever they find there selves facing a potential conflict of interest.

This all is not limited to owning shares with business partners, company shares trading, personal or family involvement in commercial transactions with Din Textile; but also includes such activities or owning any interest like borrowing from third party based on the business relationship of Din Textile.

➤ **Corporate Reporting and Internal Controls**

It is important for every Din's individual that all of the official accounts and records must be documented in such a manner that clearly identified and describes the true nature of business transactions, assets or liabilities, and properly and timely classification of the records; so as the entries presented and saved in the records are in conformity with the generally accepted accounting principles. No records, entry or document should be false, distorted, misleading, misdirected, deliberately incomplete or suppressed.

Din Textile strictly adhere the principles of good corporate governance and it is committed to achieve the highest standards of corporate governance. Din Textile maintain effective, transparent financial reporting and sound internal control system ensuring true and fair performance measurement and compliance with local regulatory requirements and international accounting standards as applicable.

3. Din Textile's Commitment with their Competitors

Din Textile competes enthusiastically but fairly in the operating markets in the true spirit to win the market. Din Textile being honest and trustworthy in all of its dealings had never and will not damage the reputation of competitors either directly or by implication or innuendo.

Din Textile had never and will not attempt to acquire information about a competitor's business by disreputable means nor will it engage in restrictive trade practices of abuse any position of market dominance.

4. Din Textile's Commitment with their Customers

Din Textile had always been and wishes to be our customers' first choice for the excellent quality and efficient services. Relationship based on mutual trust will help us deliver innovative solutions that anticipate and meet our customers' needs.

Din Textile believes that reliability in dealing with customers is a prerequisite for a successful and sustained business relationship with them. In all advertising and other publications from Din Textile untrue, concealment and overstatement had always been and will be avoided.

5. Din Textile's commitment with their Suppliers

Din Textile aims to develop and maintain best relationships with its suppliers based on mutual trust and embark on timely and agreed trade terms payments. Din Textile purchasing power must never be used

unscrupulously. All of the information regarding the Din Textile and its suppliers must be respected and kept confidential. Din Textile buying decisions are always been a commitment of assurance that whatever material which is purchased for production and procurement, will always be safe for environment. We expect that our suppliers also enforce the same standards of employment, harassment and discrimination policies as like Din Textile.

6. Din Textile's Commitment with their Shareholders

Din Textile always communicates its business policies, achievements and prospects with honesty and in accordance with applicable guidelines and regulations. We always strive to create excellent long term value to reward investment. We will always maintain the highest standards of business practices and will be transparent in all our dealings as before.

7. Din Textile's Commitment with their Local Communities

Din's individuals are encouraged for participation in the local communities and civil affairs. We at Din recognize our responsibilities as active members of the communities where ever we operate. Din strongly believes in contribution for the well being of wider communities. Din emphasizes our efforts in community services like education, literacy, healthcare and we will respect the traditions, cultures and heritages.

8. Din Textile's Commitment to the Environment

Din Textile has always been given a great importance for protecting the environment in which we all live. We are concerned with the preservation of the environment in its broadest sense and recognize that certain resources are finite and must be used responsibly.

Din Textile believe to provide a clean, safe, healthy and pollution free environment for all of the individuals who live in and around Din Textile's manufacturing sites , by employing such technologies which are beneficial in maintaining and protecting environmental hygiene and health.

9. Implementation of this Statement

The examples given in this statement are not intended to be comprehensive and Din Textile individuals must endeavor to observe the principles that they embody.

Din Textile reputation depends on effective implementation of policies and it is the responsibility of all managers to ensure that this statement and these policies and their application are communicated, understood and taken seriously by all individuals.

Din Textile Management must secure the co-operation of individuals and positively promote these policies by personal example, by clear guidance and by making advice available as appropriate.



EVENTS CALENDAR 2016-2017

06 July
2016

Board of Directors Meeting for addition/disposal of Fixed Assets & Enhancing the LTF Facility from Bank Al-Falah.

24 September
2016

Audit Committee and Board of Directors meeting to consider accounts of the Company for the year ended June 30, 2016. Human Resource and Remuneration (HR&R) Committee Meeting to propose and increase in monthly remuneration of Chief Financial Officer & Head of Internal Audit.

28 October
2016

Audit Committee and Board of Directors meeting to consider accounts of the Company for the first quarter ended September 30, 2016.

29 October
2016

Annual General Meeting of shareholders to consider accounts of the Company for the year ended June 30, 2016.

24 February
2017

Audit Committee and Board of Directors meeting to consider accounts of the Company for the Half Year ended December 31, 2016

21 April
2017

Audit Committee and Board of Directors meeting to consider accounts of the Company for the third quarter ended March 31, 2017.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the Company will be held on Saturday the 28th October 2017 at 9:00 a.m. at Beach Luxury Hotel, M. T. Khan Road, Karachi.

Ordinary Business:

1. To confirm the minutes of the Annual General Meeting of the Company held on 29th October 2016.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2017 together with Directors and Auditors Report thereon.
3. To appoint Auditors, and fix their remuneration.

Special Business:

4. To consider and pass the following resolutions:

“RESOLVED that following business be and are included in the object clause of the Memorandum of Association of the Company”.

To establish, structure, incorporate and operate a new wholly owned subsidiary to carry on the business of wheat storage silos project to take on lease, rent, hire and to construct, build, establish, erect, promote, undertake, acquire, own operate, equip, manage, renovate, recondition, turn to account, maintain and to run warehouses, Steel silos, godowns, open platforms, refrigeration houses, stores and other similar establishments to provide facilities for storage of commodities, goods, articles and things, and for the purpose to act as C & F agent, custodian, warehouseman, transportation and distribution agent, stockist, financier, auctioneer, importer, exporter, or otherwise to deal in all sorts of commodities, wheat and other grains, vegetables, fruits, edibles and similar goods.

“FURTHER RESOLVED that clause III of the Memorandum of the Association be and are hereby amended accordingly and to add new sub-clauses as under”.

54- To carry on the business of wheat storage silos project to take on lease, rent, hire and to construct, build, establish, erect, promote, undertake, acquire, own operate, equip, manage, renovate, recondition, turn to account, maintain and to run warehouses, Steel silos, godowns, open platforms, refrigeration houses, stores and other similar establishments to provide facilities for storage of commodities, goods, articles and things, and for the purpose to act as C & F agent, custodian, warehouseman, transportation and distribution agent, stockist, financier, auctioneer, importer, exporter, or otherwise to deal in all sorts of commodities, wheat and other grains, vegetables, fruits, edibles and similar goods.

55- Except for the businesses mentioned in sub-clause (56) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.

56- Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Mutual Fund, Leasing, Investment Company, Investment Advisor, Real Estate Investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Insurance Business, Modaraba management company, Stock Brokerage business, forex, real estate business, managing agency, business of providing the services of security guards or any other business restricted under any law for the time being in force or as may be specified by the

Commission.

57- It is hereby undertaken that the company shall not:

- a) engage in any of the business mentioned in sub-clause (56) above or any unlawful operation;
- b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;
- c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.

“FURTHER RESOLVED that Mr. S.M. Tanveer, Chief Executive, Mr. Farhad Shaikh Mohammad Directors or Islam Ahmed, the Company Secretary of the Company be and are hereby singly authorized to take all necessary steps for fulfillment of all formalities”.

“FURTHER RESOLVED that Mr. S.M. Tanveer, Chief Executive, Mr. S. M. Pervez, Mr. S. M. Naveed, Mr. Fawad Jawed, Mr. Farhad Shaikh Mohammad Directors of the Company and Mr. Shaikh Mohammad Raffay, the Authorized Representative of the Company be and are hereby singly authorized to negotiate fixed service charges by Punjab Food Department, Government of Punjab to SILO operators and to sign concession agreement for Near Farm Wheat SILO with the Punjab Food Department.

FURTHER RESOLVED that the Directors of the Company be and are hereby authorized to set-up, sale, purchase and run / maintain Wheat Warehouse Silo Projects, to the extent of total cost Rs.1.8 billion approximately with the net investment to Rs.1 billion.

5. In compliance of the directions issued by the Securities and Exchange Commission of Pakistan through S.R.O.470 (I)/2016 dated May 31, 2016 it is proposed that the following resolution be passed as and by way Special Resolution,

“RESOLVED that pursuant to compliance of S.R.O.470 (I)/2016 dated May 31, 2016 the Board of Directors of the Company be and is hereby authorized to circulate the Annual Audited Accounts of the Company to its members through CD/DVD/USB; that the Board of Directors of the Company and the Company Secretary be and are hereby authorized to do all acts, deeds and things that may be necessary or required to give effect to this resolution.”

Statement under section 134 of the Companies Act, 2017 in the above matters mentioned in item No.3 is being sent to the members alongwith notice.

6. To transact any other business with the permission of the chair.

BY ORDER OF THE BOARD

Karachi: October 03, 2017

ISLAM AHMED
COMPANY SECRETARY

Notes:

1. The share transfer books of the Company will remain closed from October 22, to October 28, 2017 (both days inclusive)

2. A Member entitled to attend, speak and vote at the Annual General Meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. A proxy in order to be effective must be received by the Company not less than 48 hours before the time of the meeting.
3. Members whose shares are deposited with Central Depository Company of Pakistan Limited are requested to bring their valid Computerized National Identity Cards along with the Participants I.D number and their account number in Central Depository Company of Pakistan Limited to facilitate identification at the time of Annual General Meeting. In case of proxy an attested copy of proxy's Identity Card, Account & Participants I.D. number be enclosed. In case of corporate entity, the Board of Directors, resolution / Power of attorney with specimen signature of the nominee shall be produced at the time of the meeting (unless it has been provided earlier).
4. Shareholders are advised to submit / send attested photocopy of their valid Computerized National Identity Card (CNIC) as it is mandatory to be printed its number on Dividend Warrants vide CBR's S.R.O. 641 (i)/2005 dated June 27, 2005, SECP's Notice dated April 02, 2010 issued in respect of S.R.O. 286/(I)/2005 dated March 31, 2005 & SECP's SRO Notification dated August 18, 2011, and also notify immediately of any change in their addresses to our **Share Registrar Services**, Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi.
5. Payment of Cash Dividend Electronically in accordance with the provision of section 242 of the companies Act, 2017, dividend payable in cash shall only be paid through electronic mode directly into bank account designated by the entitled shareholders. SECP vide circular No. 18 of 2017 dated August 01, 2017, has presently waived this condition till October 31, 2017. Any dividend payable after this due date shall be paid in the manner prescribed only.

All shareholders are requested to provide details of their bank mandate specifying;

- (i) title of account (ii) account number (iii) IBAN number (iv) bank name and (v) branch name, code & address, to the Company's Share Registrar. Shareholders who hold shares with CDC are advised to provide the bank mandate details as mentioned above, to the concerned CDC.

STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT 2017

This statement sets out the material facts concerning the Special Business, given in agenda item Nos. 4 - 5 of the Notice will be considered to be passed by the members. The purpose of the Statement is to set forth the material facts concerning such Special Business.

Agenda item No. 4 of the Notice – Amendment/change in Memorandum of Association of the Company

The addition in object clause in the Memorandum of Association for business to set-up, and run / maintain Wheat Silo Warehouse Facilities and other lawful businesses, shareholders' approval is being sought to amend the Memorandum of Association of the Company and enable to establish, structure, incorporate and operate a new wholly owned subsidiary, to carry on the business of wheat storage silos project to take on lease, rent, hire and to construct, build, establish, erect, promote, undertake, acquire, own operate, equip, manage, renovate, recondition, turn to account, maintain and to run warehouses, Steel silos, godowns, open platforms, refrigeration houses, stores and other similar establishments to provide facilities for storage of commodities, goods, articles and things, and for the purpose to act as C & F agent, custodian, warehouseman, transportation and distribution agent, stockist, financier, auctioneer, importer, exporter, or otherwise to deal in all sorts of commodities, wheat and other grains, vegetables, fruits, edibles and similar goods and all other lawful businesses. The board of Directors have recommended to the members to approve and adopt amendment/change in Memorandum of Association of the Company. Subject to approval of the members the proposed resolution will be considered to be passed by the

members as a special resolution.

Agenda item No. 5 of the Notice – Circulations of Annual Reports through CD/DVD/USB

Securities and Exchange Commission of Pakistan has vide S.R.O 470(1) 2016 dated 31 May 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in the general meeting. This will save time and expenses incurred on printing of the annual report.

The Company shall supply the hard copies of the aforesaid document to the shareholders on demand on their registered address, free of cost, within one week of such demand.

The Directors of Din Textile Mills Limited and their relatives have no interest in the above business directly or indirectly except to the extent of their shareholding in the Company.

A decorative graphic on the right side of the page. It features a close-up of a fountain pen with a black and gold nib, resting on a white document. A pair of glasses with a gold frame is also visible, partially overlapping the pen. The background is a blue and green geometric pattern.

a message from our **CHAIRMAN**

The Pakistan economy witnessed gradual momentum in the year 2016-17 and it is expected to accelerate in future years in view of the Government's continuous efforts to push various financial and agricultural reforms, including low rate markup based loans for technological improvements across all sectors of textile industry. State Bank of Pakistan focus on controlling inflation, increasing overall demand by reducing cost of lending etc. is continuing.

One of the most variable and a critical factor for our Textile businesses is reducing the cost of manufacture and our Company has taken various initiatives for cost optimization and increasing production efficiency, amongst other measures which have contributed to improved performance. In anticipation of the expected revival of our economy, the demand and prices of various products manufactured by the Company are likely to improve further.

At Din Textiles, Our performance for the year was driven by our commitment to reignite the growth of the Company, Impelled by our long-term strategy known as FIT. This represents the significant mainstays of 'Fuel to Grow', 'Innovate to Grow' and 'Transform to Grow'. Our FIT strategy focuses on enhancing efficiencies and encouraging innovation throughout the Company, with highly engaged employees to fuel our growth. The key driver for this performance is reflected in our FIT strategy. In line with this strategy, we continuously invest in BMR and Research and Development activities, product innovations, as well as productivity improvements throughout our operations.

Over the Period of 3 decades our commitment to excellence and client satisfaction form the basis of our philosophy. Our theme is quality, integrity, time, efficiency and safety. To achieve these principles, we are committed to fulfill our corporate responsibilities, including enhancing our awareness of conformity with business ethics, and aim to be a reliable and trustworthy company. We believe that only outstanding workmanship, superior quality control, effective safety methods and continuous development of our management profile and professional skills can bring about the desired results and our goal is customer satisfaction.

" Future is not something we enter. The future is something we create "



Chairman's Review

As the chairman of Din Textile Mills Limited, I am please to present the 30th Annual Audited Accounts along with the auditor's report for the year ended June 30, 2017.

Economic Environment

Economic growth in Pakistan has historically remained volatile, lacking a steady growth path and adding to the economic uncertainty about the country's economic conditions. According to historical data the economy reached a high of above 5.28 percent in 2016-17, which is the highest in 10 years. The accommodative monetary policy stance, increase in development spending, substantial growth in private sector credit. On average, the large scale manufacturing sector's growth stood at 5.06 out of which textile sector have a minimal growth of 0.78 % as compared to last year. where as import of textile machinery has increased by 20.8% as compare to last year due to low mark up rate loans under current textile policy.

Textile Out Look

As the Textile sector slowly emerges from a long-term power crisis, its once booming textile sector is scrambling to find its feet, but high energy costs and a decade lost to competitors mean recovery is far from assured. Energy production was severely depressed for years due to chronic under-investment and inconsistent supply of power added more losses to mills. The result was crippling for manufacturers and in particular the textile sector, which employs 30% of the working population.

Going forward, textile exports to largely remain under pressure due to demand side bottlenecks with weak Chinese demand outlook and economic slowdown in the European Union, Lower currency competitiveness amid sharp depreciation in regional currencies and low commodity prices. About 35% production capacity of textile value chain is impaired/closed while prospective investors are reluctant to make new investments due to high cost of doing business. Energy cost is more than 30% of the total conversion cost in spinning, weaving and processing industries. Industrial gas tariff in Pakistan is 100% whereas electricity tariff is about 50% higher than the regional competitors. Pakistan textile share in global market declined from 2.2 % to 1.7 % and unemployment increased by 30 %.

Marketing Activities

Due to uncompetitive business environment and high doing business cost Pakistan's Spinning sector put in in the negative growth, Export of cotton yarn reduced by 3.64 percent by going down from the exports of \$1,176.999 million last year to \$1,134.191 million during the current year. The exports of yarn (other than cotton yarn) decreased by 27.32 % by falling from \$30.648 million to \$22.274 million.

During the year under Review, there is low demand of yarn which create depressed market sentiment, which is mainly because of low price import of yarn from India and china, and caused in reduction of company's Gross Sales by 2.26% in term of value whereas export sales reduced by 16.16% and domestic sale increase by 4.01% as compared to last year. Combination of Gross Local and export sales is 73.36% and 26.64 % respectively in current year where as it was 68.94%

and 31.06% in the year 2016.

Due to increase in Cotton, Fuel & Gas prices your Company Gross profit Margin reduced by 2.24% (2017: 6.45% , 2016: 8.67%).

Operational Review

The target of cotton season 2016-17 revised by three time starts from 11.27 Million bales and finally set a target at 10.54 Million bales and at the end of season. The actually cotton produce 10.08 million bales (155 Kgs) on an ex-gin basis. Due to shortage of cotton, demand for higher grades of lint has increased.

At Domestic level the prices of raw cotton during the year 2016-17 have rise in prices as compare to last year. From start of year the cotton prices are 45% higher then the last year prices in same period (August 2017 Rs. 7,082/= per mound, August 2016 Rs. 4,880/= per mound). Market Average Cotton Prices for the year 2016-17 is for Rs. 6,912/= per mound whereas it was Rs. 5,862/= per mound in the last year 2015-16 which are on and average higher by 21.64% through out the year.

Due to new BMR in the all unit of the company to achieve the economy of scale in high competitive yarn market, and non Consisting of Power Supplies the annual production and yield targets of our company are missed. The management team of our company emphasized the need to be strategically prepared for emergency and crises situations. During the year Din Textile Mills Limited Produced 26.849 Million Kgs yarn as compared to 24.619 Million Kgs in last year, there by achieving an average capacity utilization of 78.38 as against 88.84% during the year. 87,025 out of 93,936 spindles remained operational during the year which attended 92.64% utilization of installed capacity as compare to 79,991 working spindle out of 81,936 spindle having 97.62% utilization of installed capacity in last year.

Financial Review

During the year under review, Cotton prices along with other cost of doing business have bullish trend trough out the the year, the management of your company closely monitored the purchase and stocking of raw cotton, to avoid high prices trend at start on new year, and to contribute in profitability of the company, so there is no inventory losses have been recorded in the current financial year. The Prices of yarn in local market as well as in foreign markets not Supporting the profitability, Local demand of yarn having downward trend due to heavy import of Low priced yarn from neighbour countries like India and China. The Company carefully review its raw material policy with the view to avoid losses due to increasing trend in prices of Raw cotton. The financial Performance of our company for the years 2016-17 reflect depressed performance due to inconvenient business environment as it Sales revenue surged to Rs. 7.421 Billion (FY 2015-16 Rs. 7.602 billion) and Profit Before Tax (PBT) Rs. 1.488 million (FY 2015-16 PBT Rs. 201.128 million).

Keeping in view the un competitiveness we were taken cost saving and controlling initiatives, to particularly offset the negative impact of escalating input costs. Din Textiles is committed to enhancing its' product base by diversifying in to low cost high quality products with high financial returns. That we believe in People Planet and Profits (Three PPP's). Cost of Sale as compare to sale Increased by 2.25%. It is Rs. 6.944 billion which is 93.57% of sale in year 2016-17 where it was 6.942 billion 91.32 %of sale in year 2015-16. The increase in cost of sale is mainly due Increase in Prices of Raw cotton, the raw material consumption increased by 7.03% which is 68.17% of Sales in current year, where as it was 61.14% of Sales in year 2015-16. The Power Cost as compare to Sale have increase by 1.65% which is 10.95% of sales in current year, where as it was 9.30% in the year 2015-16. The reduction of Profit margins on sale due to depressed yarn market and increase in minimum wages rate are also the factors for major reduction in profitability.

Company made considerable efforts and motivative measure to promote a cost conscious culture by utilizing the best negotiation skill in all sector of the business, the distribution cost, Administrative expenses, as compare to sales percentage have nominal increase of 0.05%, 0.14% respectively, it is 0.73% and 1.86% in current year, where as it was 0.68% and 1.72% of sales in year 2015-16 respectively. In spite of expansion of operation, minimum wage rate and inflationary economic conditions the management of your company follows best practices and intelligent use of working capital the financial cost also have a Minimal increase by 0.38% as compare to last Year , it is 3.79% of sales in year 2016-17 and 3.41% of sales in year 2015-16. Decrease in other operating cost by 0.17% is due workers profit participation fund and workers welfare fund.

The company's current year cash flow from operation after working capital changes, payment of income tax, finance cost, WPPF and staff retirement benefits shows cash outflow of Rs. (387.956) million mainly due to change of policy of Raw material to absorbed the high effect of changes in Prices before the start of cotton season. the stock of finished good increase due to low price and decrease demand in local market, management is in view of that the yarn prices recovered in early September due to start of production fabric and garments for next summer season. Keeping the continuous BMR policy to achieve the economy of scale your company spent Rs. 592.706 millions in current year and 293.942 in the year 2015-16, After adjustment of investment activities of Rs. 586.002 million and net of financing activities of Rs. 88.206 Million, The Company's net cash out follow of Rs. 885.752 million during the year, cash and cash Equivalent at the end of year shows an amount of short term borrowing of RS. 1,807.12 Millions as compared to last year short term borrowing of Rs. 942.851 Million.

In view of the above financial result rendered by the Company for the year 2016-17, We are putting our best efforts to focus on driving forward our financial performance which helping us to sustain long term growth and deliver industry leading return to our stakeholders in future.

Dividend

The Company's Philosophy revolves around sharing the success with all stake holders who have entrusted us with their precious capital . This work ethic has gone a long way ,in not only sustaining the company through the general downturn, but also getting in to thrive. keeping in view of current year financial result , in view of adverse economic condition in the current financial year, cash flow of our Company does not permits dividend pay out, there fore the Board of Directors regrettably decided to omit any dividend in this year . where as in the last year 2015-16 Company paid final Dividend of Rs. 1.25 per share i.e. 12.5% amounting to Rs. 28,027,110/=

Contribution To National Exchequer

Din Textile contributes towards the national economy on account of taxes and other levies, during the year under review our company paid 250.675 million (2015-16 Rs. 262.599 million) as cost of finance , contribute to the foreign reserves of the country US\$ 13.312 million (2015-16 \$ 14.897 Million) as direct exports, and accrued to government in term of Tax payment amounting to Rs. 151.004 million (2015-16 Rs. 91.696 million

Research & Development

Din Textile believes in market driven approach and stands committed to invest to satisfy our customer need. Our focused and continuous investment in BMR brining the update technology during the year under review our company Spent net of Rs.592.707 million (2015-16 293.942 million) on capital expenditure. The investment portfolio of the company has been realigned as per changing market needs. There is an emphasis on team achievements and pride in individual accomplishment that contribute to our over all success.

Information Technology

We are committed to the process of upgrading and enhancing our IT infrastructure and moving towards greater process automation. Additionally, we remain focused on working closely with end users in studying their day to day activities and finding opportunities to automate and stream line various tasks in this regard, Considerable efforts were expended in analyzing business process and reporting gaps in ERP System through a series of discussion with business users.

Health, Safety and Environment

We believe and understand that creating a healthy, safe and supportive environment helps people and organization to flourish. The Company places great emphasis on safety and is concerned not only with the Over all Health Services activities with the Company but with its Vendors also. The Company organized and conducted different trainings relating to Health and Safety environment to enhance employees awareness on Health and Safety Related Issues.

The company has conducive environment for its employees, to work free of injury and illness. The employees are capable and accountable for preventing work related injuries and illness. The company also has a first aid facility for providing emergency treatment.

HR Management and Employment Relations

We firmly believe that it is our people who make us different from our competitors. Our people are our main assets and therefor we should put everything needed in place to win with our people. As we continue to evolve in the new era, by attracting the best and retain the best. We equip them with up to date knowledge and skills to create and sustain a culture of high performance in a competitive business environment. Continuing Trainings to be an important factor which supports and build organizational capability for continual innovation and change. Rigorous succession planning is also in place throughout the organization ensuring that employees are consistently developed to fill each role. we constantly look for the people who have ability to accept challenges and have the potential to lead the future.

Din's has successfully fostered a performance based remuneration culture. It endeavors to ensure that employees are regularly trained and looked after well to ensure high levels of performance delivery. At Din's all executive and management staff are allow to get advance

training, attend courses and seminars in the area of soft and technical skills. Advance training courses facilitate the staff to acquire knowledge and keep themselves abreast of development in their professional field.

Corporate Social Responsibility (CSR)

Din's CSR policy is driven by the imperative need to positively touch the lives of its stake holders, At Din's we are remain committed towards supporting the Communities where we live and operate through various social and community initiatives. In this direction , our key areas of focus include health care, education and sports. During the past 28 years Din's philosophy remained to conduct business in an ethical and responsible manner, bringing development to the land where its operates. The Company takes on social initiative which it considers that its contribution would improve the live of its communities.

Din's practices active corporate citizenship through corporate philanthropy, energy conversation, environmental protection measure, community investments, consumer protection measure, employment of special persons, industrial relationship occupational safety & health, business ethic, anticorruption measure, and contribution to national exchequer.

Future Outlook

Moving forward, outlook for textile industry is likely to remain challenging , import of yarn will strive hard to get market share. Positive social and macroeconomic factors will play a vital role in delivering strong performance in the year ahead. Despite various challenges the management is confident that the Company will maintain its Market Share. The Company remain committed to be the most innovative and competitive in the textile Sector.

The Benefit of Lower oil Prices, continuous supply of LNG to textile scoter and stable cotton prices will give no benefits to the sector If Import of yarn from India and China not to be monitored seriously the spinning sector of Pakistan will affect badly.

Board of directors has approved incorporation of a new 100% owned subsidiary to carry on the business of wheat storage, soils.

Acknowledgement

I extend my sincere thanks to all our stakeholders including lending banks, shareholders, customers and our loyal, hardworking and committed Board of Directors, and Management of our company for their unstinted support in shaping and improving the performance of the Company, which makes Din Textile as Market Leader of Textile Industry.

On behalf of the Board of Directors

S.M. Muneer
Chairman



Directors' Report

The directors are pleased to present the 2017 Annual report together with the audited Financial Statements of the company for the year ended June 30, 2017.

Financial Results

	Year ended June 30	
	2017	2016
Rupees in '000'.....	
Profit & Loss Appropriations		
Un-appropriated Profit brought forward	1,123,471	1,051,305
Total comprehensive (Loss) / Income for the year	(61,693)	72,166
Dividend for the year ended June 30, 2016 @ Rs 1.25/- per share	(28,027)	-
Un-appropriated Profit carried forward	1,033,751	1,123,471
(Loss) / Earnings per share - basic and diluted	(2.82)	2.70

Chairman's Review

The Directors of the company endorse the contents of the Chairman's Review which covers review of business and operations, outlook and investment plans for strategic growth.

Operational Performance

	Year ended June 30		
	2017	2016	Inc./ (Dec.) %age
Rupees in '000'.....		
Total Sales	7,421,792	7,602,604	(2.38)
Local Sales	5,532,629	5,319,515	4.01
Export Sales	2,009,262	2,396,423	(16.16)
Commission & Claims	(120,099)	(113,334)	
Gross Profit	477,141	659,657	(27.67)

Salient Feature of the Accounting Results

The achievements of the year under review may be compared against preceding year are as under:

	Year ended June 30	
	2017	2016
Rupees in '000'.....	
Sales	7,421,792	7,602,604
Cost of Sales	(6,944,651)	(6,942,947)
Gross profit	477,141	659,657
Distribution cost	(53,948)	(51,773)
Administrative Expenses	(138,734)	(130,770)
Other operating expenses	(2,750)	(16,487)
Finance cost	(282,011)	(259,505)
	(477,444)	(458,535)
Other Income	1,791	7
Profit before Tax	1,488	201,128

Financial Management

Cash Flow Management

During the year an amount of Rs. 607.417 million was generated from company's operating activities before taking the effect of changes of working capital, this is mainly due to effective cost control measures, inspite of continuous increase in direct costs e.g. minimum wages and fuel & power, Rs. (1,300.619) million was used in working capital by increasing store and spare parts, stock in trade and other receivable. At the end of the year 2017 the liquid fund position comprising of cash and cash equivalents amounts to Rs. (1,755.762) million.

The Company has an effective Cash Flow Management system in place whereby cash inflows and out flows are projected on regular basis and rigorously monitored. Working Capital requirements are planned to be financed through internal cash generation and short term borrowings from external resources where necessary.

The Board is satisfied that there are no short or long term financial constraints including the accessibility to credit and a strong balance sheet as at June 30, 2017 with current ratio 0.94 : 1.00

Risk Mitigation

The Inherent risks and uncertainties in running a business directly affect the success of business. The management of Din Textile Mills Limited has identified its exposure to the potential risks. As a part of our policy to produce forward looking statement we are outlining the risks which may affect our business. This exercise also helps the management focus on a strategy to mitigate risk factors.

Credit Risk

All financial assets of the company except cash in hand are subject to credit risk. The company believes that it is not exposed to major concentration of credit risk. Exposure is managed through application of credit limits to its customers secured by and on the basis of past experience, sales volume, consideration of financial position, past track records and recoveries, economic conditions of particularly the textile sector and generally the industry. The company believes that it is prudent to provide provision of doubtful debts.

Liquidity Risk

Prudent liquidity risk management ensures availability of the sufficient funds for meeting contractual commitments. The Company's fund management strategy aims at managing liquidity risk through internal cash generation and committed credit lines with financial institutions.

Interest Rate Risk

Majority of the interest rate exposure arises from short and long term borrowing from banks and term deposits and deposits in PLS saving account with banks. Therefore, a change in interest rates at the reporting date would not effect the profit and loss accounts.

Foreign Exchange Risk.

Foreign currency risk arises mainly where receivables and payables exist due to transaction in foreign currencies. The company is mainly exposed to short term USD/ PKR parity on its imports of raw material and Plant and Machinery.

Production Facilities

Performance of our production facilities was excellent with unprecedented levels of output. Our team continues to improve efficiencies through harmonized efforts, eliminating wastage and avoidance of shutdowns on numerous occasions. The Company is determined to continue its focus on maximum capacity utilization for sustained profitability and to maintain its position as the leading Textile Manufacturer of the Country.

Related Parties

The Board of Directors have approved the policy for transaction/contract between company and its related parties on an arm's length basis and relevant rates are to be determined as per the comparable uncontrolled price methods.

The company has fully complied with the best practices of transfer pricing as contained in the listing regulation of Pakistan Stock Exchanges.

Corporate Governance

The Company is committed to standards of corporate governance to ensure business integrity and upholding the confidence of all the stake holders. The Board of Directors is accountable to the share holders for good corporate governance. The management of the company is continuing to comply with the provision of best practices set out in the Code of Corporate Governance particularly with regards to independence of Non-Executive Director. The company remains committed to conduct its business in line with the listing regulations of Pakistan Stock Exchange, which clearly defines the rules and responsibilities of the Board of Directors and the management. Vision and Mission statements, Core Values, and Code of Conduct have been prepared and approved by the Board. Significant policies as required under the Code of Corporate Governance have been framed and are under review of the Board.

During the year the Board was actively involved in performing their duties including those required to be performed under various laws and the Memorandum and Article of Association of the company with the ultimate object of safeguarding the interest of the share holders, enhancing the profitability of the company, increasing shareholders' wealth and promoting market confidence.

The Directors are pleased to state that:-

Disclosures under Code of Corporate Governance Corporate and Financial Reporting Framework

- a) The Financial statements together with the notes thereon have been drawn up by the management in conformity with the Companies Ordinance 1984. These statements present fairly the Company's state of affairs, the results of its operation, cash flow and changes in equity
- b) Proper books of accounts of the company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of financial statement and accounting estimate are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- e) The System of internal control and other such procedure which are in place, are being continuously reviewed by the Internal Audit Function. The process of reviewing will continue and any weakness in control will be removed.
- f) There are no significant doubts upon the company's ability to continue as a going concern.
- g) There has been no material departure from the Best Practices of Corporate Governance, as detailed in the listing regulations.
- h) The key operating and financial data for last six years in summarized form annexed.
- i) The outstanding statutory duties, taxes, charges and levies, if any have been fully disclosed in the financial statements.
- j) The significant plans and decisions along with futures prospects have been outlined in the Chairman's Review.

Material Changes

There has been no material changes since June 30, 2017 other then mentioned in the audited financial statements of the company for the year ended June 30, 2017 which would affect its financial position at the date.

Board of Directors

The Board of Directors comprises of two Executive Directors, and five Non Executive Directors one of them is Independent Director. Current members of the Board of Directors have been listed in the company's information.

Board of Director Meetings

During the year under review five meetings of the Board of Directors were held from July 2016 to June 2017.

The attendance of the board member are as follows.

<i>NAME OF DIRECTORS</i>		<i>NO. OF MEETINGS ATTENDED</i>
1	Shaikh Mohammad Muneer (Non-Executive Director)	3
2	Shaikh Mohammad Pervez (Non-Executive Director)	4
3	Shaikh Muhammad Tanveer (Executive Director)	4
4	Shaikh Mohammad Naveed (Executive Director)	4
5	Mr. Fawad Jawed ((Non-Executive Director)	5
6	Mr. Farhad Shaikh Mohammad (Non-Executive Director)	5
7	Mr. Abdul Razzak (independent / Non-Executive Director)	5

The leave of absence was granted to the members for not attending the board meetings.

Internal Controls and Audit

Din Textile has an independent Internal Audit Function. The Internal Audit function is an integral and effective part of the Company's corporate governance structure which is provide by the Management, the adequate assurance that internal controls and the check and balance system is operating properly, identification of opportunities for implementation of better and cost effective controls, weaknesses in the existing system and processes and alternate procedures and corrective actions needed to strengthen the control system.

The Audit Committee reviewed the quarterly, half yearly and annual statements before submission of the Board and their publication, CFO , Head of Internal audit and a representative of external auditors attended the meetings where issues relating to accounts and audit were discussed. The Audit Committee also reviewed internal audit findings and held separate meeting with internal audit and external audit as required under the Code of Corporate Governance. The Audit Committee also discussed with the external auditors their letter to management. Related Party Transactions were also placed before the Audit Committee prior to the approval of Board.

Orientation Course

The management of the company has decided to carry out in-house management orientation training program by a professional management trainer to acquaint them with best current business practices. The main area of the training is time management, best use of available resources, optimal use of production resources and minimizing the breakdown time, etc.

Post Balance Sheet Events.

There are no material changes or commitments affecting the financial position of the company that have occurred between the end of the financial years of the company and the date of this report except as disclosed in the reports.

Statement of Ethics and Business Practices.

The Board has prepared and circulated the Statement of Ethics and Business Practices signed by every Director and employee of the company as a token of acknowledgement of his / her understanding of the standards of conduct in relation to any body associated of dealing with the Company.

Statement of Compliance with the Code of Corporate Governance.

The requirement of the Code of Corporate Governance set out by the Pakistan Stock Exchange in the Listing Regulations relevant for the year ended June 30, 2017 have been complied with. A statement to this effect is annexed with the report.

web Presence

Company's all periodic financial statements including Annual Reports are available on the Company's website www.dingroup.com for information for the investors as well as shareholders.

Board Evaluation

In compliance with Code of Corporate Governance 2012, the Board has put in place a mechanism for the annual evaluation of Board's performance. The evaluation of the performance of the Board is essentially an assessment of how the Board has performed on all of the following parameters:

- Board composition and quality
- Board functions
- Financial performance of the company
- Statutory obligations
- Corporate Governance
- Risk Management
- Human Resource Management
- Research and Development
- Business expansion

Auditors

Statutory Audit for the company for the financial year ended June 30, 2017 has been concluded and the auditors have issued their Audit Report on the company's Financial Statements, and the Statement of Compliance with Code of Corporate Governance. The Auditors Messrs.' Naveed Zafar Ashfaq Jaffery & Company , Chartered Accountants, Karachi, shall retire at the conclusion of annual general meeting and they have indicated their willingness to continue as Auditors. They have confirmed achieving satisfactory rating by the Institute of Chartered Accountant of Pakistan (ICAP) and compliance with the Guideline on the Code of Ethics of the International Federation of Accountants (IFAC) as adopted by ICAP. The Board proposed their reappointment as auditor for the financial year ended June 30, 2017 the engagement partner will be rotated in line with the requirement of Code of Corporate Governance.

Shareholding

The pattern of shareholding as at June 30, 2017 along with disclosures as required under Code of Corporate Governance , is annexed.

The Directors, Chief Executive, Chief Financial Officer, Company Secretary, and their spouses and minor children, have reportedly carried out no trading in the shares of the Company.

Acknowledgement

The Board of Directors is always a source of guidance and support for the management and are well aware of the challenges that lies ahead and is determined to ensure growth, generate profits and create value for your company and we are confident that they will continue to show the same dedication in the years ahead. We are pleased to acknowledge that the relation with employees remained cordial and harmonious throughout the year. The management recognizes and record its sincere appreciation to all employees for their continued dedication, commitment and hard work for the growth and prosperity of the company, without which, this performance would have not been possible.

In the end the board of directors would like to thank the Almighty for all his blessings in these challenging times and to convey our appreciation to all banks, customers , dealers and stake holders for their continued support in the company.

KARACHI
Date: 03 October 2017

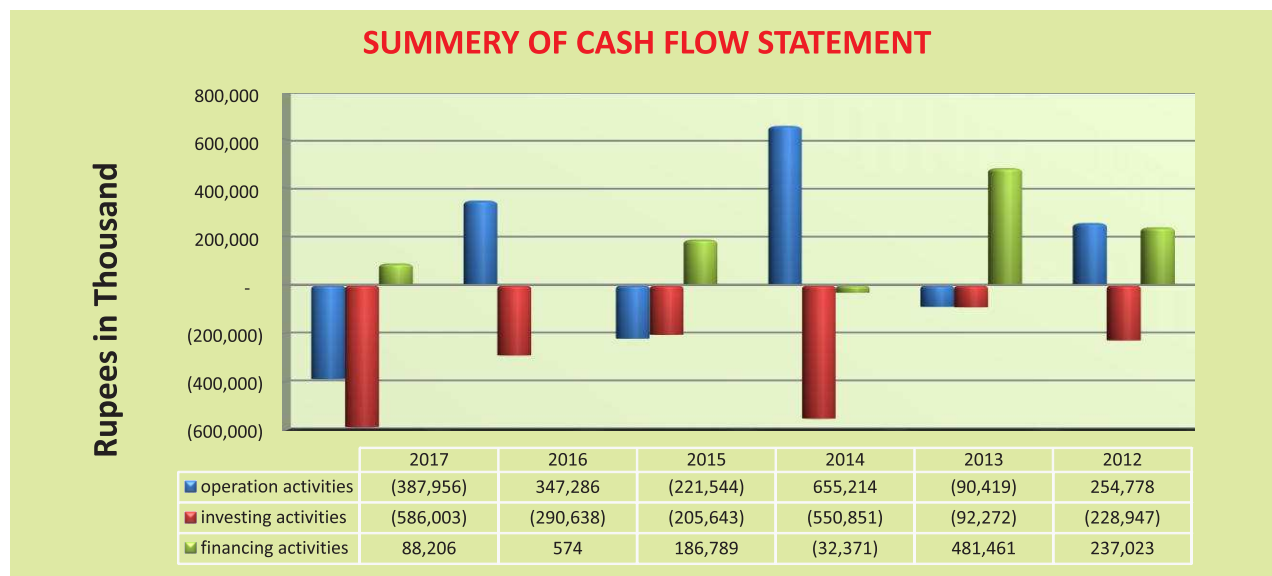
SHAIKH MUHAMMAD TANVEER
Chief Executive

FARHAD SHAIKH MUHAMMAD
Director



SUMMARY OF CASH FLOW STATEMENT

	Year ended June 30					
	2017	2016	2015	2014	2013	2012
 Rupees in '000'					
Cash Flows from / (Used in)						
Operation activities	(387,956)	347,286	(221,544)	655,214	(90,419)	254,778
Investing activities	(586,003)	(290,638)	(205,643)	(550,851)	(92,272)	(228,947)
Financing activities	88,206	574	186,789	(32,371)	481,461	237,023
Net Cash Flows	(885,753)	57,223	(240,397)	71,992	298,770	262,854
Opening Cash and Cash Equivalents	(870,009)	(927,232)	(686,835)	(128,332)	(427,101)	(689,955)
Cash and cash equivalents of subsidiary merged	-	-	-	(630,495)	-	-
Closing Cash and Cash Equivalents	(1,755,762)	(870,009)	(927,232)	(686,835)	(128,332)	(427,101)

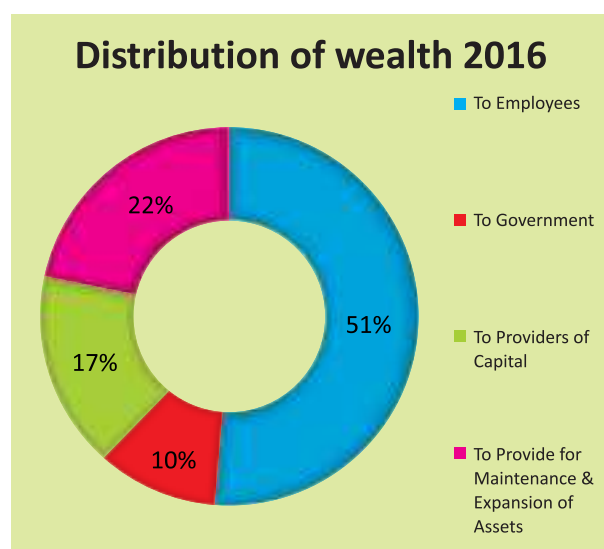
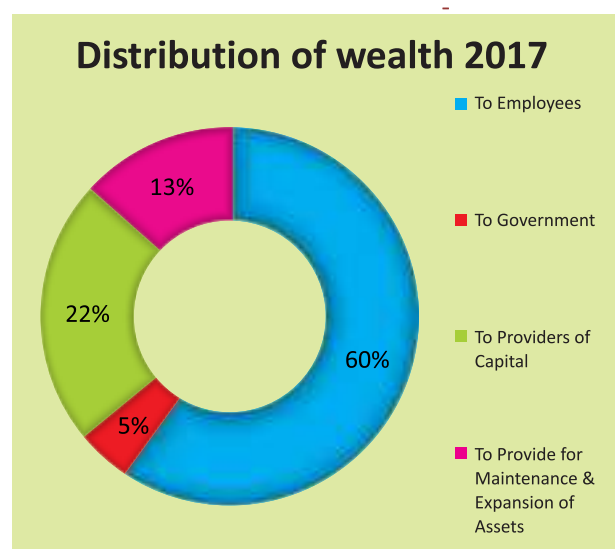


Six Years at a Glance

	YEAR ENDED JUNE 30						
	2017	2016	2015	2014	2013	2012	
Operating Results:							
Sales-net	(Rs 000)	7,421,792	7,602,604	8,552,541	10,211,074	8,296,374	7,358,489
Cost of Sales	(Rs 000)	6,944,651	6,942,947	8,126,147	9,536,724	6,908,178	7,563,546
Gross Profit / (Loss)	(Rs 000)	477,141	659,657	426,393	674,349	1,388,196	(205,057)
Operating Profit / (Loss)	(Rs 000)	281,708	460,626	203,961	460,586	1,101,856	(450,293)
Profit / (Loss) Before Tax	(Rs 000)	1,488	201,128	(167,227)	(41,338)	818,587	(833,895)
(Loss) / Profit After Tax	(Rs 000)	(63,297)	60,519	(200,323)	(150,451)	734,663	(669,487)
Dividends	(Rs 000)	-	28,027	-	56,054	101,917	-
Earning / (Loss) before interest, taxes, depreciation & amortization(EBITDA)	(Rs 000)	560,048	717,539	462,403	671,040	1,285,558	(260,612)
Per Share Results and Returns:							
(Loss) / Earning per share	(Rupees)	(2.82)	2.70	(8.93)	(6.71)	32.77	(32.84)
Cash Dividend per Share	(Rupees)	-	1.25	-	2.50	5.00	-
Dividend yield ratio	(%)	-	1.48	-	2.09	8.20	-
Dividend payout ratio	(%)	-	46.31	-	(50.37)	13.87	-
Market Price Per Share at the end of the year (KSE 100 Index)	(Rupees)	113.05	84.59	131.25	119.42	61.00	17.00
Price Earning Ratio	(Times)	(40.05)	31.34	(14.69)	(24.06)	1.86	(0.52)
Financial Position:							
Reserves	(Rs 000)	1,433,752	1,523,471	1,451,305	1,642,074	2,089,835	1,362,753
Current Assets	(Rs 000)	4,410,750	3,009,652	2,849,314	3,388,066	4,507,036	2,511,156
Current Liabilities	(Rs 000)	4,681,202	3,040,434	2,880,464	3,412,966	3,109,746	2,398,881
Net Current Assets / (Liabilities)	(Rs 000)	(270,452)	(30,782)	(31,150)	(24,900)	1,397,290	112,275
Property Plant & Equipment	(Rs 000)	2,895,905	2,585,435	2,551,517	2,598,680	1,635,532	1,695,685
Total assets	(Rs 000)	7,322,125	5,629,405	5,525,668	6,076,377	6,343,980	4,361,966
Long Term Debt	(Rs 000)	1,276,846	1,188,639	1,188,065	1,001,276	1,059,793	578,332
Shareholders' equity	(Rs 000)	1,657,968	1,747,688	1,675,522	1,866,290	2,293,668	1,566,587
Capital Employed	(Rs 000)	2,640,923	2,588,971	2,645,203	2,663,411	3,234,234	1,963,085
Share Capital	(Rs 000)	224,217	224,217	224,217	224,217	203,834	203,834
Break up value per share	(Rupees)	73.94	77.95	74.73	83.24	112.53	76.86
Financial Ratios:							
Current ratio	(Times)	0.94	0.99	0.99	0.99	1.45	1.05
Long-Term Debt to Shareholders' equity	(%)	32.59	31.47	30.99	27.32	24.68	22.76
Debt to Total Assets	(%)	42.12	37.86	38.95	28.98	19.58	24.76
Return on equity	(%)	(3.82)	3.46	(11.96)	(8.06)	32.03	(42.74)
Return on capital employed	(%)	(2.40)	2.34	(7.57)	(5.65)	22.72	(34.10)
Quick Acid test ratio	(Times)	0.31	0.48	0.51	0.50	0.84	0.53
Earnings / (Loss) before interest, taxes depreciation & amortization margin (EBITDA)	(%)	7.55	9.44	5.41	6.57	15.50	(3.54)
Dividend cover ratio	(%)	-	2.16	-	(2.68)	7.21	-
Bonus Share issued	(Rs 000)	-	-	-	20,383	-	-
Debt to Equity Ratio	(Times)	0.77	0.68	0.71	0.54	0.46	0.37
Profitability Ratios:							
Gross Profit / (Loss) Ratio	(%)	6.43	8.68	4.99	6.60	16.73	(2.79)
Net Profit / (Loss) Margin	(%)	0.02	2.65	(1.96)	(0.40)	9.87	(11.33)
Interest Coverage	(Times)	1.01	1.78	0.55	0.90	3.74	(1.06)
No. of days in Receivable	(Days)	34.85	38.38	36.97	42.68	69.48	49.88
No. of days in Payable	(Days)	10.51	10.94	9.69	15.28	13.69	13.33
No. of Days in Inventory	(Days)	90.46	60.38	71.64	69.98	86.87	87.79
Cash Operating Cycle	(Days)	114.80	87.82	98.91	97.38	142.66	124.34
Debtors turnover ratio	(Times)	10.47	9.51	9.87	8.55	5.25	7.32
Creditor Turnover ratio	(Times)	36.71	34.12	26.00	26.33	28.12	28.29
Inventory turnover	(Times)	4.04	6.04	5.10	5.22	4.20	4.16
Fixed Assets Turnover	(Times)	2.56	2.94	3.35	3.93	5.07	4.34
Total Assets Turnover	(Times)	1.01	1.35	1.55	1.68	1.31	1.69
Other Data:							
Depreciation & Amortization	(Rs 000)	276,549	256,906	257,117	238,949	168,307	167,706
Capital Expenditure	(Rs 000)	592,707	293,942	211,893	500,821	113,083	232,468

STATEMENT OF VALUE ADDED

WEALTH GENERATED	2017		2016	
Gross Sales Revenue	7,541,890,923		7,715,938,166	
Other Receipts	1,791,230		7,116	
Less:				
Material & services				
Material & Factory cost	5,947,409,893		5,991,387,956	
Administrative & other	32,824,667		25,309,665	
Distribution	53,948,412		51,773,262	
Broker's Commissions	120,099,229		113,334,433	
Value Add	<u>1,389,399,952</u>	100	<u>1,534,139,966</u>	100
WEALTH DISTRIBUTED		%age		%age
To Employees				
Salaries & benefits	827,223,018	59.54	787,701,154	51.34
To Government				
Tax	65,199,855	4.69	142,955,650	9.32
Worker Profit Participation fund	79,937	0.01	10,801,736	0.70
Worker Welfare Fund	30,376	0.00	4,104,660	0.27
To Providers of Capital				
Dividend to Share Holders	28,027,110	2.02	-	-
Mark up/Interest on Borrowed Fund	282,010,510	20.30	259,504,557	16.92
To Provide for Maintenance & Expansion of Assets				
Depreciation	276,548,820	19.90	256,906,104	16.75
Profit Retained	(89,719,674)	(6.46)	72,166,105	4.70
	<u>1,389,399,952</u>		<u>1,534,139,966</u>	



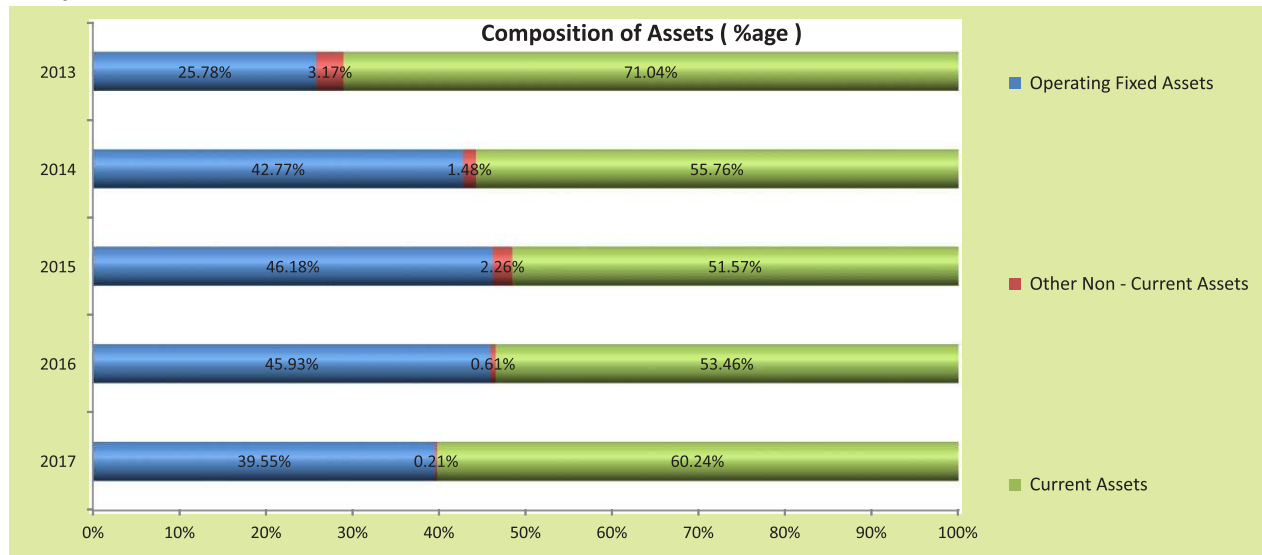
HORIZONTAL ANALYSIS

	2017	Variance vs Last Year Increase/ (Decrease) %	2016	Variance vs Last Year Increase/ (Decrease) %	2015	Variance vs Last Year Increase/ (Decrease) %	2014	Variance vs Last Year Increase/ (Decrease) %	2013
..... (Rupees in million).....									
Operating Results									
Sales - net	7,422	(2.38)	7,603	(11.11)	8,553	(16.24)	10,211	23.08	8,296
Cost of sales	(6,945)	0.02	(6,943)	(14.56)	(8,126)	(15.22)	(9,585)	38.76	(6,908)
Gross profit	477	27.67	660	54.71	426	(31.84)	626	(54.94)	1,388
Distribution cost	54	4.20	52	(38.29)	84	(34.25)	128	13.29	113
Administrative expenses	139	6.09	131	(4.55)	137	5.99	129	15.73	112
Other operating expenses	3	(83.32)	16	974.76	2	(44.79)	3	(95.52)	62
Finance cost	282	8.67	260	(30.34)	373	(10.25)	415	38.97	299
Other operating income /(loss)	2	25071.87	0	(99.46)	1	(82.95)	8	(49.48)	15
Profit / (loss) before taxation	1	(99)	201	(220.27)	(167)	304.54	(41)	(105.05)	819
Provision for taxation	(65)	(53.93)	(141)	324.85	(33)	(69.67)	(109)	30.01	(84)
(loss) / Profit for the year	(63)	204.59	61	(130.21)	(200)	33.15	(150)	(120.48)	735
Balance Sheet									
NON CURRENT ASSETS									
Property, plant and equipment	2,896	12.01	2,585	1.33	2,552	(1.81)	2,599	58.89	1,636
Long term deposits	15	3.37	15	0.15	15	(3.54)	15	2.60	15
Long term Investment	-	0.00	-	0.00	-	0.00	-	(100.00)	45
Deffered Taxation Assets	-	(100.00)	19	(82.39)	110	48.23	74	(47.65)	142
Total non current assets	2,911	11.13	2,620	(2.11)	2,676	(0.44)	2,688	46.35	1,837
CURRENT ASSETS									
Stores, spare parts and loose tools	630	55.54	405	92.74	210	(38.68)	343	28.32	267
Stock in trade	2,312	104.49	1,130	(4.28)	1,181	(12.45)	1,349	(17.56)	1,636
Trade debts	709	(11.35)	799	(7.71)	866	(27.45)	1,194	(24.40)	1,579
Loans and advances	41	(28.61)	58	66.25	35	(26.98)	47	(93.72)	755
Trade deposits and short term prepayments	1	22.33	1	(22.17)	2	(82.59)	9	47.89	6
Other receivables	25	7.04	23	(38.96)	38	265.74	10	(75.28)	42
Tax refunds due from the Government	641	23.41	520	8.12	481	32.47	363	117.46	167
Cash and bank balances	51	(29.48)	73	98.37	37	(49.54)	73	34.75	54
Total current assets	4,411	46.55	3,010	5.63	2,849	(15.90)	3,388	(24.83)	4,507
Total assets	7,322	30.07	5,629	1.88	5,526	(9.06)	6,076	(4.22)	6,344
CURRENT LIABILITIES									
Trade and other payables	2,385	47.81	1,613	3.81	1,554	(30.67)	2,242	(14.67)	2,627
Accrued mark up and interest	68	85.25	37	(7.79)	40	(41.71)	68	(15.86)	81
Short term borrowings	1,807	91.67	943	(2.19)	964	26.90	760	316.60	182
Current portion of									
Long term financing	421	(5.85)	447	38.75	322	(6.06)	343	84.73	186
Liabilities against assets subject to finance lease	-	0.00	-	0.00	-	0.00	-	(100.00)	33
Total Current Liabilities	4,681	53.96	3,040	5.55	2,880	(15.60)	3,413	9.75	3,110
WORKING CAPITAL	(270)	778.60	(31)	(1.18)	(31)	25.10	(25)	(101.78)	1,397
TOTAL CAPITAL EMPLOYED	2,641	2.01	2,589	(2.13)	2,645	(0.68)	2,663	(17.65)	3,234
NON CURRENT LIABILITIES									
Long term financing	856	15.43	741	(14.37)	866	31.55	658	(19.85)	821
Liabilities against assets subject to finance lease	-	0.00	-	0.00	-	0.00	-	(100.00)	20
Deferred liabilities									
Staff retirement benefits - gratuity	111	10.75	100	(3.85)	104	(25.18)	139	39.55	100
Deferred taxation	17	0.00	-	0.00	-	0.00	-	0.00	-
Total Non Current Liabilities	983	16.84	841	(13.24)	970	21.65	797	(15.25)	941
Net Worth	1,658	(5.13)	1,748	4.31	1,676	(10.22)	1,866	(18.63)	2,294
Net Worth Represented by:									
Issued, subscribed and paid up capital	224	0.00	224	0.00	224	0.00	224	10.00	204
Reserves	1,434	(5.89)	1,523	4.97	1,451	(11.62)	1,642	(21.43)	2,090
	1,658	(5.13)	1,748	4.31	1,676	(10.22)	1,866	(18.63)	2,294
Total liabilities	7,322	30.07	5,629	1.88	5,526	(9.06)	6,076	(4.22)	6,344

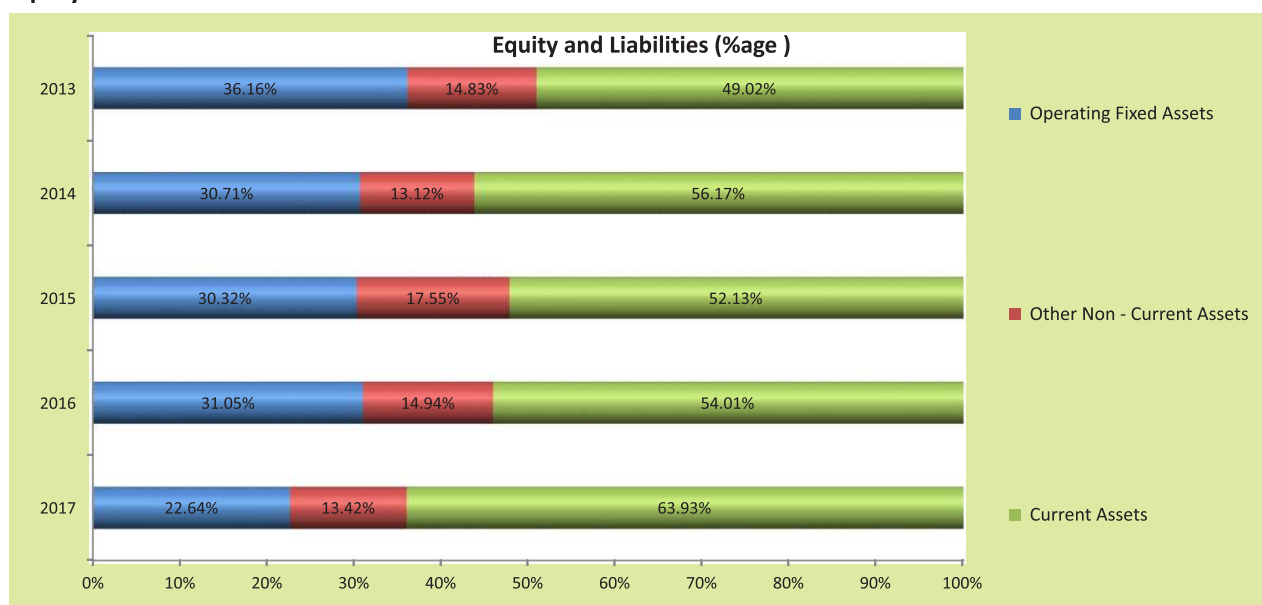
VERTICAL ANALYSIS

	2017	%	2016	%	2015	%	2014	%
	(Rupees in million)							
Operating Results								
Sales - net	7,422	100.00	7,603	100.00	8,553	100.00	10,211	100.00
Cost of sales	(6,945)	(93.57)	(6,943)	(91.32)	(8,126)	(95.01)	(9,585)	(93.87)
Gross profit	477	6.43	660	8.68	426	4.99	626	6.13
Distribution cost	54	0.73	52	0.68	84	0.98	128	1.25
Administrative expenses	139	1.87	131	1.72	137	1.60	129	1.27
Other operating expenses	3	0.04	16	0.22	2	0.02	3	0.03
Finance cost	282	3.80	260	3.41	373	4.36	415	4.06
Other operating income	2	0.02	0	0.00	1	0.02	8	0.08
Profit before taxation	1	0.02	201	2.65	(167)	(1.96)	(41)	(0.40)
Provision for taxation	(65)	(0.87)	(141)	(1.85)	(33)	(0.39)	(109)	(1.07)
Profit for the year	(63)	(0.85)	61	0.80	(200)	(2.34)	(150)	(1.47)
Balance Sheet								
NON CURRENT ASSETS								
Property, plant and equipment	2,896	39.55	2,585	45.93	2,552	46.18	2,599	42.77
Long term deposits	15	0.21	15	0.27	15	0.27	15	0.25
Deffered Taxation Assets	-	0.00	19	0.34	110	1.99	74	1.22
Total non current assets	2,911	39.76	2,620	46.54	2,676	48.43	2,688	44.24
CURRENT ASSETS								
Stores, spare parts and loose tools	630	8.60	405	7.19	210	3.80	343	5.64
Stock in trade	2,312	31.57	1,130	20.08	1,181	21.37	1,349	22.20
Trade debts	709	9.68	799	14.20	866	15.68	1,194	19.65
Loans and advances	41	0.56	58	1.02	35	0.63	47	0.78
Trade deposits and short term prepayments	1	0.02	1	0.02	2	0.03	9	0.15
Other receivables	25	0.34	23	0.42	38	0.69	10	0.17
Advance income tax - net	641	8.76	520	9.23	481	8.70	363	5.97
Cash and bank balances	51	0.70	73	1.29	37	0.66	73	1.20
Total current assets	4,411	60.24	3,010	53.46	2,849	51.57	3,388	55.76
Total assets	7,322	100.00	5,629	100.00	5,526	100.00	6,076	100.00
CURRENT LIABILITIES								
Trade and other payables	2,385	32.57	1,613	28.66	1,554	28.13	2,242	36.90
Accrued mark up and interest	68	0.93	37	0.65	40	0.72	68	1.12
Short term borrowings	1,807	24.68	943	16.75	964	17.44	760	12.50
Current portion of								
Long term financing	421	5.75	447	7.95	322	5.84	343	5.65
Total current Liabilities	4,681	63.93	3,040	54.01	2,880	52.13	3,413	56.17
WORKING CAPITAL	(270)	(3.69)	(31)	(0.55)	(31)	(0.56)	(25)	(0.41)
TOTAL CAPITAL EMPLOYED	2,641	36.07	2,589	45.99	2,645	47.87	2,663	43.83
NON CURRENT LIABILITIES								
Long term financing	856	11.69	741	13.17	866	15.67	658	10.83
Deferred liabilities								
Staff retirement benefits - gratuity	111	1.51	100	1.78	104	1.88	139	2.29
Deferred taxation	17	0.23	-	0.00		0.00		0.00
Total Non Current Liabilities	983	13.20	841	14.94	970	17.55	797	13.12
Net Worth	1,658	22.87	1,748	31.05	1,676	30.32	1,866	30.71
Net Worth Represented by:								
Issued, subscribed and paid up capital	224	3.06	224	3.98	224	4.06	224	3.69
Reserves	1,434	19.58	1,523	27.06	1,451	26.26	1,642	27.02
	1,658	22.64	1,748	31.05	1,676	30.32	1,866	30.71
Total liabilities	7,322	100.00	5,629	100.00	5,526	100.00	6,076	100.00

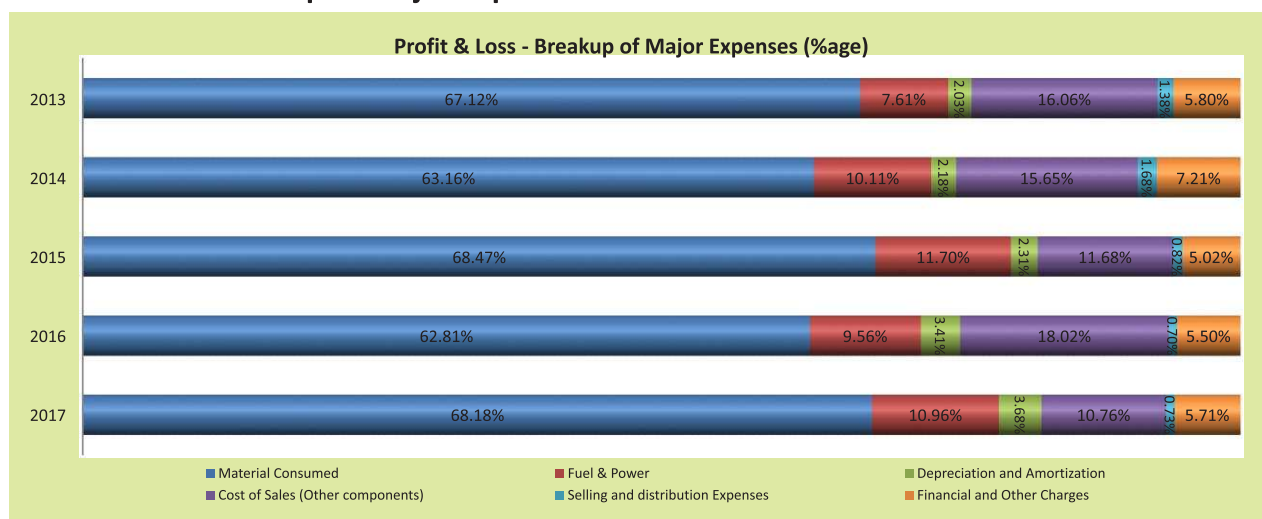
Composition of Assets



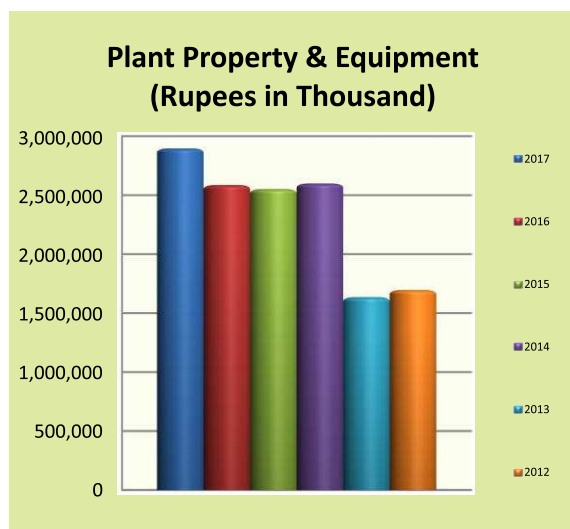
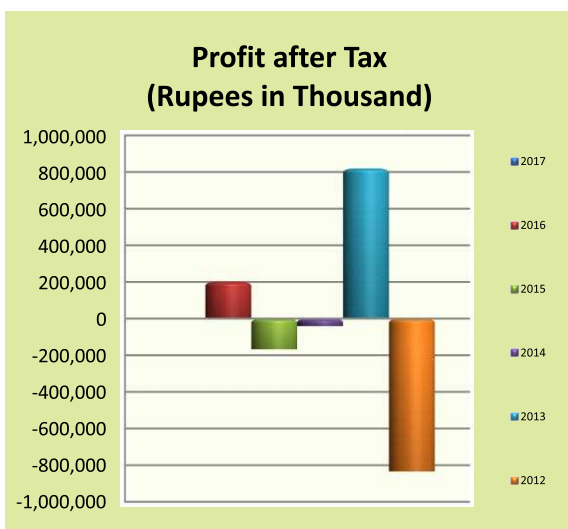
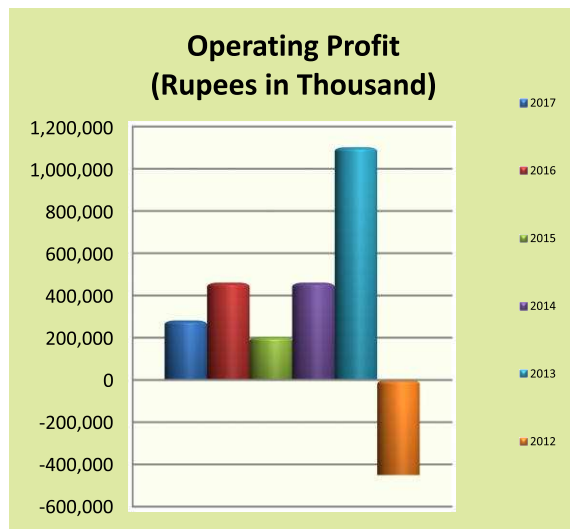
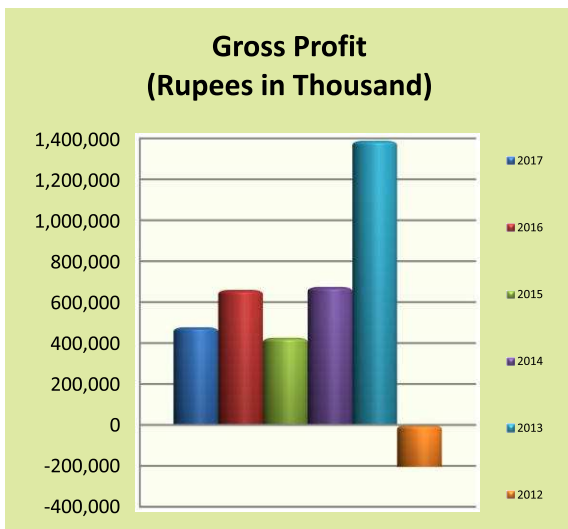
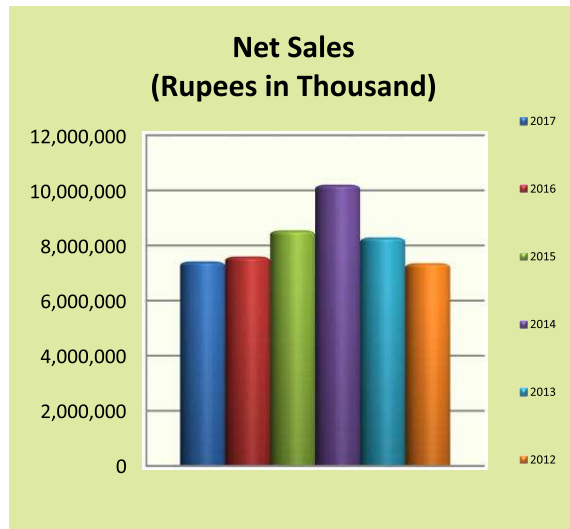
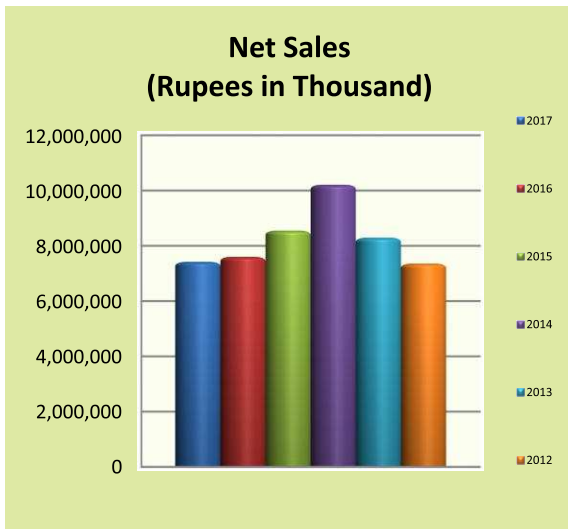
Equity & Liabilities



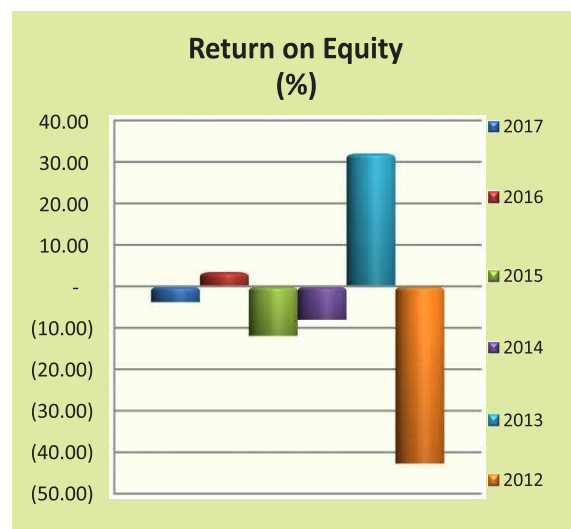
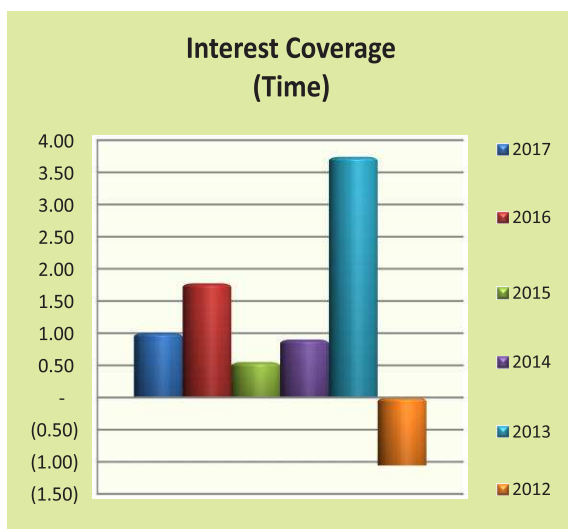
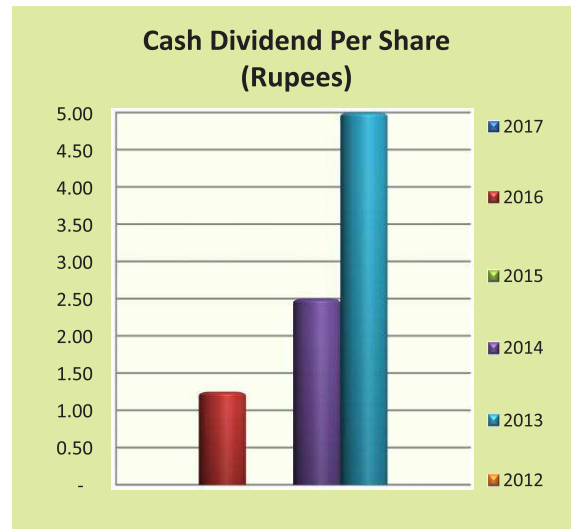
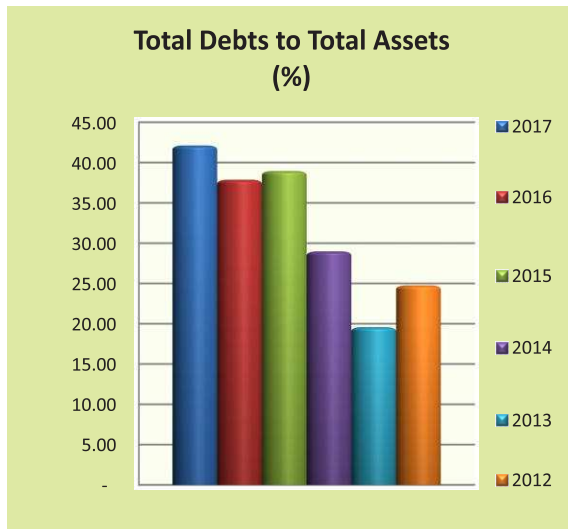
Profit & Loss - Breakup of Major Expenses



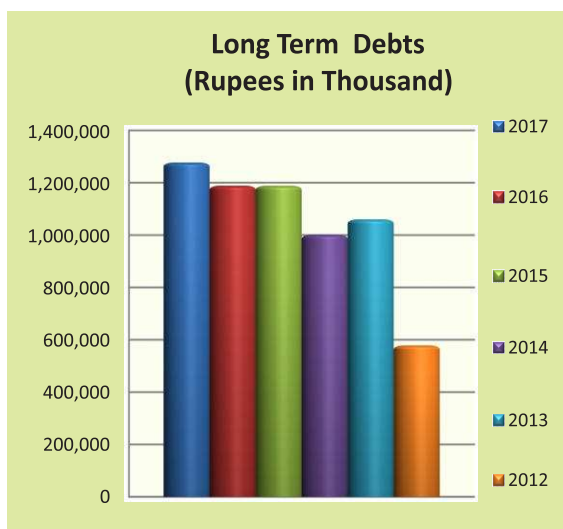
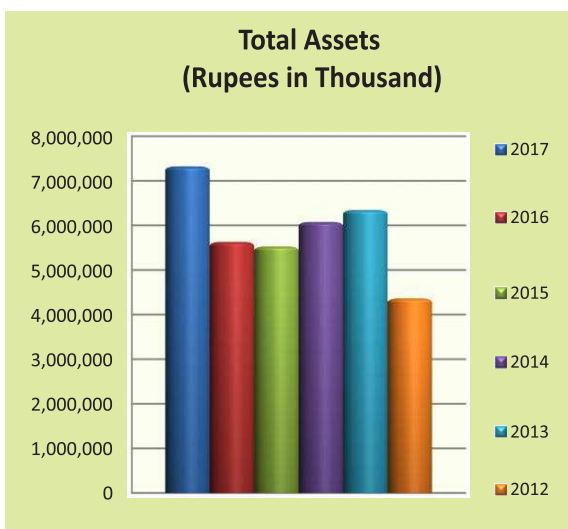
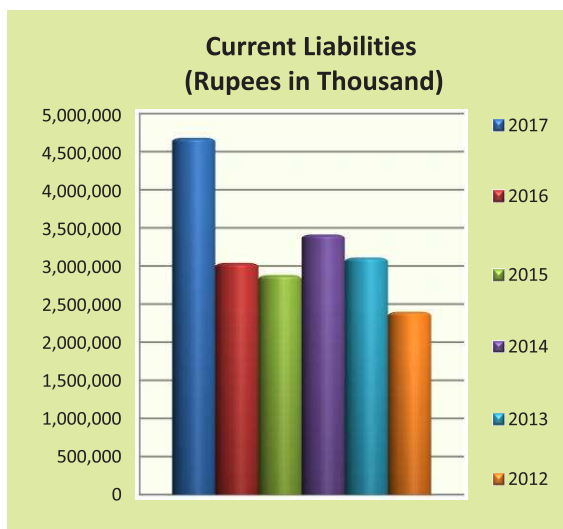
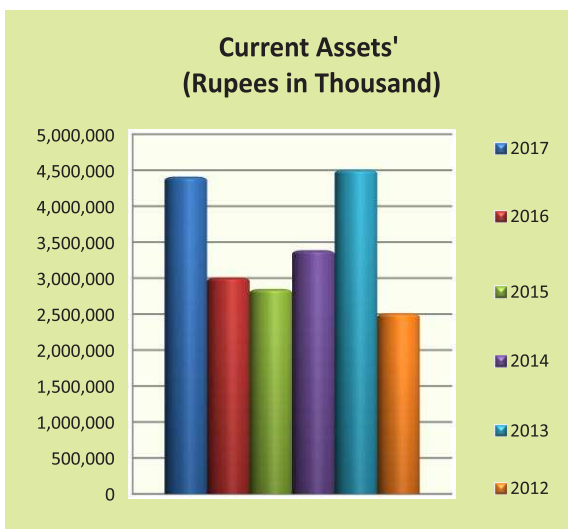
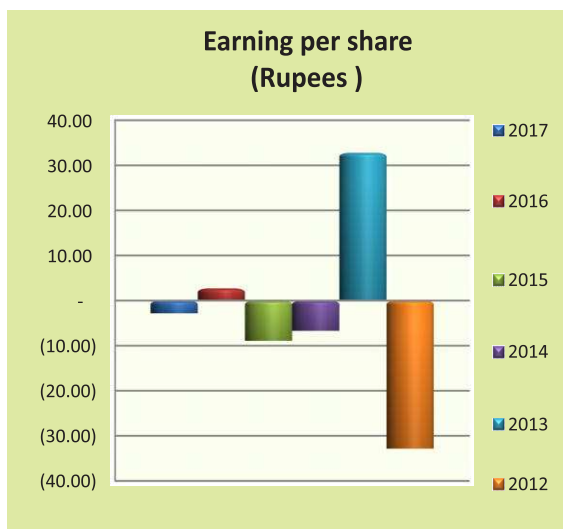
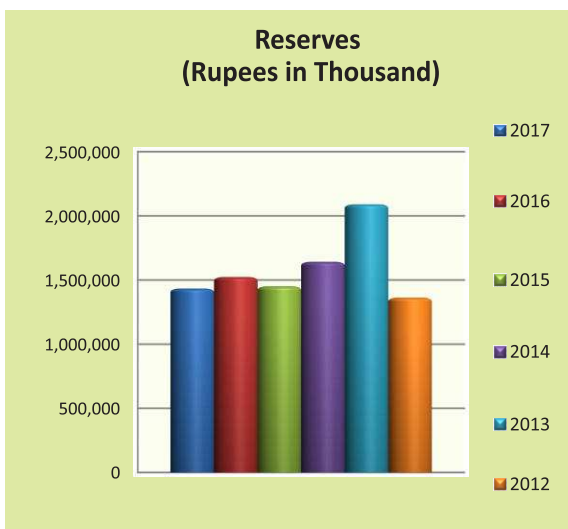
GRAPHICAL ANALYSIS OF SIX YEARS AT A GLANCE



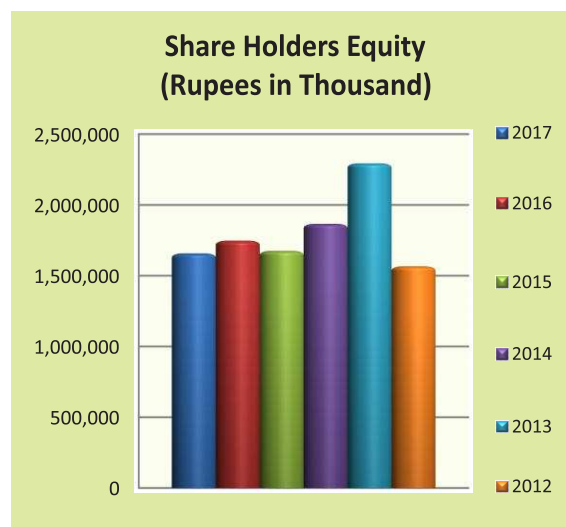
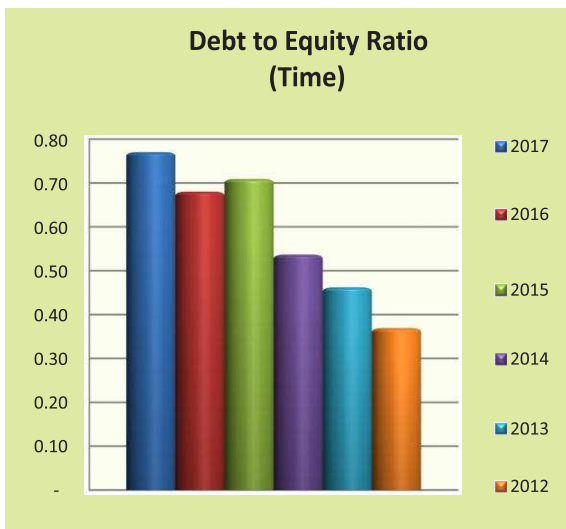
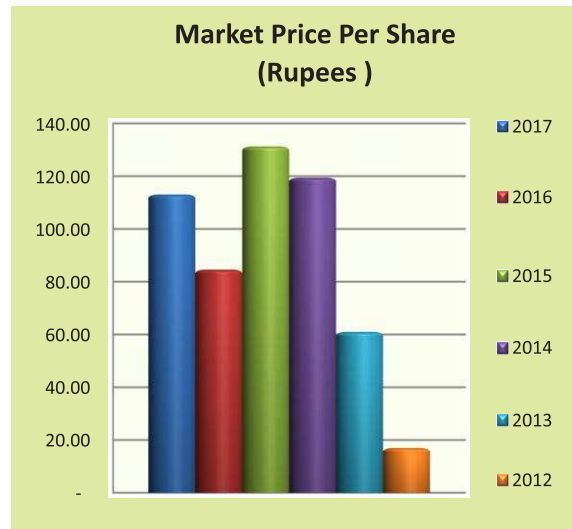
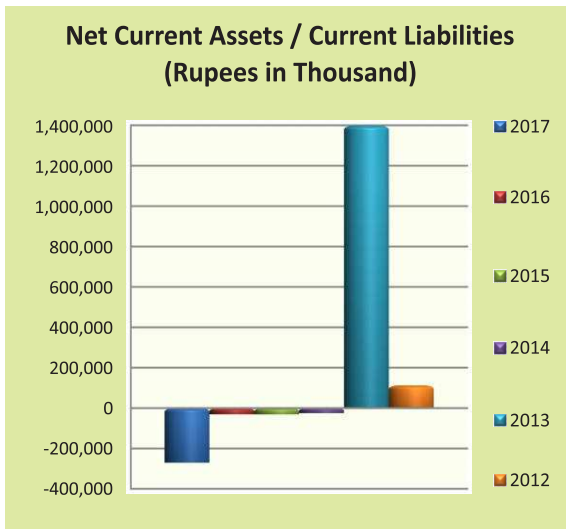
GRAPHICAL ANALYSIS OF SIX YEARS AT A GLANCE



GRAPHICAL ANALYSIS OF SIX YEARS AT A GLANCE



GRAPHICAL ANALYSIS OF SIX YEARS AT A GLANCE



DETAIL OF PATTERN OF SHAREHOLDING

As at June 30, 2017

Category No.	Categories of Shareholders	No. of Shareheld	Category-wise No. Of Folios / CDC Accounts	Category wise Shareheld	Percentage %
1	Individuals / General Public	7,103,208	788	7,103,208	31.68
2	Others	2,542,324	13	2,542,324	11.34
3	Directors, Chief Executive and their Spouse and Minor Children		9	9,464,464	42.21
	1. Shaikh Mohammad Muneer	1,837			
	2. Shaikh Mohammad Pervez	2,536,972			
	3. Shaikh Muhammad Tanveer	947,892			
	4. Shaikh Mohammad Naveed	1,895,777			
	5. Mr. Fawad Jawed	966,676			
	6. Mr. Farhad Shaikh Mohammad	941,138			
	7. Mr. Abdul Razzak	550			
	8. Mrs. Saeeda Parveen	946,044			
	9. Mrs. Ghazala Pervez	1,227,578			
4	Executive		2	2,839,579	12.66
	1. Mr. Shahzad Naseer	1,895,779			
	2. Mr. Faisal Jawed	943,800			
5	Public Sector Companies and Corporations		4	371,080	1.66
	1. CDC-TRUSTEE INVESTMENT (UNIT) TRUST	363,220			
	2. NATIONAL BANK OF PAKISTAN	204			
	3. M/S INVESTMENT CORPORATION OF PAKISTAN	330			
	4. NATIONAL BANK OF PAKISTAN INVESTOR A/C	7,326			
6	Associated Company		1	7,260	0.03
	Din Leather (Pvt.) Limited	7,260			
7	Bank Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takafu, Modaraba and Pension Funds		6	39,044	0.17
		39,044			
8	Mutual Fund		1	54,729	0.24
	Golden Arrow Selected Stocks Fund Limited	54,729			
9	Foreign Investors	-	-	-	-
TOTAL		22,421,688	824	22,421,688	100

Shareholders Holding five Percent or more voting interest in the listed company

Total Paid-up Capital of the Company **22,421,688**

5% of the Paid-up Capital of the Company **1,121,084**

Share holders holding 5% or more	Shares Held	Percentage
Shaikh Mohammad Pervez	2,536,972	11.31
Masood Spening Mills Limited	2,119,152	9.45
Mr. Shahzad Naseer	1,895,779	8.46
Shaikh Mohammad Naveed	1,895,777	8.46
Mrs. Ghazala Pervez	1,227,578	5.47

PATTERN OF SHAREHOLDING
As of June 30, 2017

NO. OF SHARE HOLDERS	SHAREHOLDING SLAB		TOTAL SHARES HELD
244	1	to 100	3,409
197	101	to 500	39,827
267	501	to 1000	191,078
79	1001	to 5000	162,942
11	5001	to 10000	81,991
3	10001	to 15000	42,199
1	15001	to 20000	15,620
1	25001	to 30000	27,910
1	30001	to 35000	33,206
1	50001	to 55000	54,729
1	360001	to 365000	363,220
1	375001	to 380000	376,100
6	940001	to 945000	5,652,152
5	945001	to 950000	4,735,371
1	965001	to 970000	966,676
1	1225001	to 1230000	1,227,578
2	1895001	to 1900000	3,791,556
1	2115001	to 2120000	2,119,152
1	2535001	to 2540000	2,536,972
824			22,421,688

Naveed Zafar Ashfaq Jaffery & Co.

Chartered Accountants

A Member Firm of:



An Association of
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Review Report to the Members

on Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (“the Code”) prepared by the Board of Directors of **Din Textile Mills Limited** (“the Company”) for the year ended 30 June 2017 to comply with the requirements of Chapter 5, Clause 5.19.24 (b) of the Code of Corporate Governance of Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company’s compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company’s personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors’ statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company’s corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm’s length transactions and transactions which are not executed at arm’s length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm’s length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company’s compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 30 June 2017.

Karachi

Dated : 3 October 2017

Chartered Accountants

Engagement Partner: Ahsan Elahi Vohra – FCA

Other Offices: | 3-B, ATS Centre, 30-West, Fazal-UI-Haq Road, Blue Area, Islamabad-Pakistan. Ph: +92-51-2878530-32 Fax: +92-51-2206283 E-mail:isl@nzaj.com.pk
201-Regency Plaza, M.M. Alam Road, Gulberg-II, Lahore-Pakistan. Ph: +92-42-37321969,37249053 Fax: +92-42-37324103 E-mail: lhr@nzaj.com.pk
1st Floor Lamsay Arcade, oppt. Green’s Banquet Hall, Peshawar. Ph. +92-91-5276102, 5274995 Fax: 091-5274968 Email:pesh@nzaj.com.pk

Statement of Compliance with the Code of Corporate Governance Year Ended June 30, 2017

This statement is being presented to comply with the Code of Corporate governance contained in the listing regulation no 5.19.1 of **Pakistan Stock Exchange** for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent Non-Executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Name
Non-Executive	Shaikh Mohammad Muneer
Non-Executive	Shaikh Mohammad Pervez
Executive	Shaikh Muhammad Tanveer
Executive	Shaikh Mohammad Naveed
Non-Executive	Mr. Fawad Jawed
Non-Executive	Mr. Farhad Shaikh Mohammad
Independent	Mr. Abdul Razzak

The independent director meets the criteria of independence under clause 5.19.1 (b) of the CCG

2. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this company.
3. All the directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. There was no casual vacancy of directors during the year.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures. The Company has prepared a "Statement of Ethics and Business Practices", which has been signed by all the directors and employees of the company.
6. The Board has developed vision and mission statement, over all corporate strategy and significant policies of the company, which have been approved by the Board of Directors.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and others executive directors have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose and the Board met at least once in every quarter. The Board held five meetings during the year. Written notices of the Board Meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Directors of the company attended the orientation courses for their duties and responsibilities.

10. There was no change in the position of Company Secretary, Chief Financial Officer and Head of Internal Auditor.
11. The director's report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The Financial Statements of the Company was duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and Executive do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an audit committee. It comprises three members, of whom all are non-executive directors and the Chairman of the Committee is an independent director.
16. The meeting of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee. It comprises three members, all of whom are non-executive directors including the chairman of the committee.
18. The Board has setup an internal audit function.
19. The statutory auditors of the Company have confirmed that they have given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm their spouses and minor children do not hold shares of the company and that the firm and all partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by Company Secretary in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principals contained in the Code have been complied with.

KARACHI
Date: 03 October 2017

SHAIKH MUHAMMAD TANVEER
Chief Executive

FARHAD SHAIKH MUHAMMAD
Director

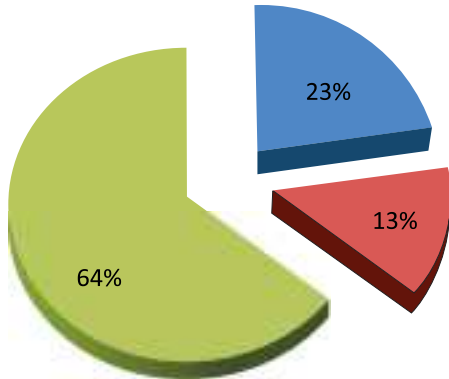
FINANCIAL STATEMENTS 2017

Business activity of company and subdivisions
Data and prognosis of activity



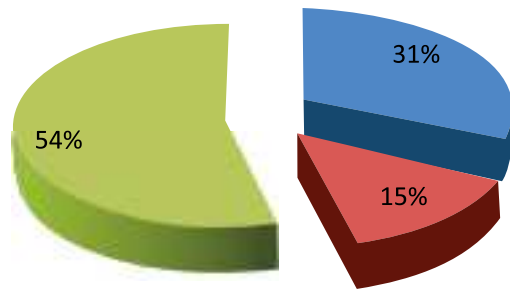
GRAPHICAL ANALYSIS OF BALANCE SHEET

2016-2017



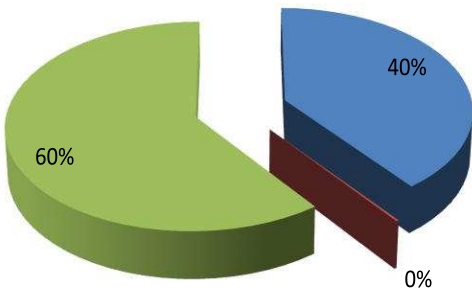
- SHARE HOLDERS EQUITY
- NON CURRENT LIABILITIES
- CURRENT LIABILITIES

2015-2016



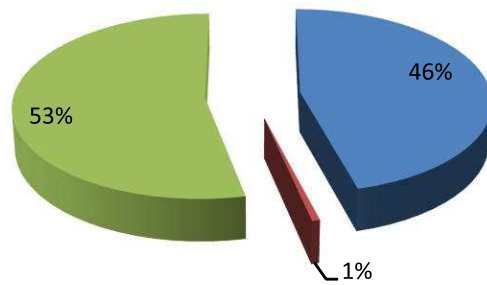
- SHARE HOLDERS EQUITY
- NON CURRENT LIABILITIES
- CURRENT LIABILITIES

2016-2017



- FIXED ASSETS
- OTHER NON CURRENT ASSETS
- CURRENT ASSETS

2015-2016



- FIXED ASSETS
- OTHER NON CURRENT ASSETS
- CURRENT ASSETS

Naveed Zafar Ashfaq Jaffery & Co.

Chartered Accountants

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An Association of
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Web:www.nzaj.com.pk

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Din Textile Mills Limited** ("the Company") as at June 30, 2017; and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity, together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the repealed Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts have been kept by the Company as required by the repealed Companies Ordinance, 1984;
- (b) in our opinion:
 - i. the balance sheet, profit and loss account and cash flow statement, together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (C) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, the profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity, together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the repealed Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the profit, the comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Naveed Zafar Ashfaq Jaffery & Co

Karachi

Dated : 3 October 2017

Chartered Accountants

Engagement Partner: Ahsan Elahi Vohra – FCA

Other Offices: 3-B, ATS Centre, 30-West, Fazal-Ul-Haq Road, Blue Area, Islamabad-Pakistan. Ph: +92-51-2878530-32 Fax: +92-51-2206283 E-mail:isl@nzaj.com.pk
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Balance Sheet

As at June 30, 2017

	Note	2017 Rupees	2016 Rupees
NON CURRENT ASSETS			
Property, plant and equipment	5	2,895,905,218	2,585,435,276
Long term deposits	6	15,469,561	14,965,251
Deferred taxation Assets	7	-	19,353,054
		2,911,374,779	2,619,753,581
CURRENT ASSETS			
Stores, spare parts and loose tools	8	629,933,998	405,010,037
Stock in trade	9	2,311,688,158	1,130,453,261
Trade debts	10	708,664,469	799,368,652
Advances	11	41,118,901	57,600,282
Trade deposits	12	1,466,192	1,198,592
Other receivables	13	25,028,770	23,383,294
Tax refunds due from Government	14	641,483,065	519,795,241
Cash and bank balances	15	51,366,744	72,842,482
		4,410,750,297	3,009,651,841
CURRENT LIABILITIES			
Trade and other payables	16	2,384,896,349	1,613,487,785
Accrued mark up / interest	17	67,921,760	36,664,423
Short term borrowings - Secured	18	1,807,128,919	942,851,796
Current portion of Long term financing - Secured	19	421,254,799	447,430,021
		4,681,201,827	3,040,434,025
WORKING CAPITAL		(270,451,530)	(30,782,184)
TOTAL CAPITAL EMPLOYED		2,640,923,249	2,588,971,397
NON CURRENT LIABILITIES			
Long term financing	19	855,591,032	741,209,438
Deferred liabilities			
Staff retirement benefits - gratuity	20	110,828,405	100,073,826
Deferred taxation	7	16,535,353	-
		982,954,790	841,283,264
CONTINGENCIES AND COMMITMENTS	21		
NET WORTH		1,657,968,459	1,747,688,133
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized capital			
77,100,000 (2016: 77,100,000) ordinary shares of Rs. 10 each		771,000,000	771,000,000
Net Worth Represented by:			
Issued, subscribed and paid up capital	22	224,216,880	224,216,880
Reserves	23	1,433,751,579	1,523,471,253
		1,657,968,459	1,747,688,133

The annexed notes from 1 to 44 form an integral part of these financial statements.

SHAIKH MOHAMMAD MUNEEER
Chairman

SHAIKH MUHAMMAD TANVEER
Chief Executive

SHAUKAT HUSSAIN
Chief Financial Officer

Profit and Loss Account

For the year ended June 30, 2017

	Note	2017 Rupees	2016 Rupees
Sales - net	24	7,421,791,694	7,602,603,733
Cost of sales	25	(6,944,650,737)	(6,942,947,177)
Gross profit		477,140,957	659,656,556
Distribution cost	26	53,948,412	51,773,262
Administrative expenses	27	138,734,351	130,770,465
Other operating expenses	28	2,750,481	16,487,070
Finance cost	29	282,010,510	259,504,557
		477,443,754	458,535,354
		(302,797)	201,121,202
Other income	30	1,791,230	7,116
Profit before taxation		1,488,433	201,128,318
Taxation	31	(64,785,084)	(140,609,576)
(Loss) / Profit for the year		(63,296,651)	60,518,742
(Loss) / Earning per share - basic and diluted	32	(2.82)	2.70

The annexed notes from 1 to 44 form an integral part of these financial statements.

SHAIKH MOHAMMAD MUNEER
Chairman

SHAIKH MUHAMMAD TANVEER
Chief Executive

SHAUKAT HUSSAIN
Chief Financial Officer

Statement of Comprehensive Income

For the year ended June 30, 2017

	2017 Rupees	2016 Rupees
(Loss) / Profit for the year	(63,296,651)	60,518,742
Items that will not be subsequently reclassified to profit and loss account		
Remeasurements of staff retirement benefits		
Remeasurement recognised	2,018,858	13,993,437
Related deferred taxation	(414,771)	(2,346,074)
	1,604,087	11,647,363
Total comprehensive (Loss) / Income for the year	(61,692,564)	72,166,105

The annexed notes from 1 to 44 form an integral part of these financial statements.

SHAIKH MOHAMMAD MUNEEER
Chairman

SHAIKH MUHAMMAD TANVEER
Chief Executive

SHAUKAT HUSSAIN
Chief Financial Officer

Cash Flow Statement

For the year ended June 30, 2017

	Note	2017 Rupees	2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,488,433	201,128,318
Adjustments for:			
Depreciation		276,548,820	256,906,104
Staff retirement benefits - gratuity		49,046,422	48,486,090
Workers' profit participation fund		79,937	10,801,736
Workers' welfare fund		30,376	4,104,660
Finance cost		282,010,510	259,504,557
(Gain) / Loss on disposal of property, plant and equipment		(1,787,677)	132,482
		605,928,388	579,935,629
Profit before working capital changes		607,416,821	781,063,947
(Increase) / Decrease in current assets			
Stores, spare parts and loose tools		(224,923,961)	(194,881,155)
Stock in trade		(1,181,234,897)	50,606,416
Trade debts		90,704,183	66,788,092
Advances		16,481,381	(22,952,663)
Other receivables		(1,645,476)	14,925,657
		(1,300,618,770)	(85,513,653)
Increase in current liabilities			
Trade and other payables		775,098,969	51,896,805
Cash generated from operations		81,897,020	747,447,099
Finance cost paid		(250,675,840)	(262,599,865)
Taxes paid		(151,004,429)	(91,696,105)
Dividend paid		(28,098,468)	(365,348)
Workers' profit participation fund paid		(3,801,536)	(7,000,200)
Staff retirement benefits - gratuity paid		(36,272,985)	(38,499,502)
		(469,853,258)	(400,161,020)
Net cash (used) in / generated from operating activities		(387,956,238)	347,286,079
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		7,475,642	2,985,389
Fixed capital expenditure		(592,706,727)	(293,942,290)
Long term deposits - net		(771,910)	319,150
Net cash used in investing activities		(586,002,995)	(290,637,751)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing		88,206,372	574,468
Net cash generated from financing activities		88,206,372	574,468
Net (decrease) / increase in cash and cash equivalents		(885,752,861)	57,222,796
Cash and cash equivalents at the beginning of the year		(870,009,314)	(927,232,110)
Cash and cash equivalents at the end of the year		(1,755,762,175)	(870,009,314)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	15	51,366,744	72,842,482
Short term borrowings	18	(1,807,128,919)	(942,851,796)
		(1,755,762,175)	(870,009,314)

The annexed notes from 1 to 44 form an integral part of these financial statements.

**Statement of Changes in Equity
For the year ended June 30, 2017**

Particulars	Share capital	Reserves			Total
		General	Unappropriated profit	Sub total	
	Rupees				
Balance as at June 30, 2015	224,216,880	400,000,000	1,051,305,148	1,451,305,148	1,675,522,028
Total comprehensive income for the year	-	-	72,166,105	72,166,105	72,166,105
Balance as at June 30, 2016	224,216,880	400,000,000	1,123,471,253	1,523,471,253	1,747,688,133
Dividend for the year ended June 30, 2016 @ Rs 1.25/- per share	-	-	(28,027,110)	(28,027,110)	(28,027,110)
Total comprehensive (loss) for the year	-	-	(61,692,564)	(61,692,564)	(61,692,564)
Balance as at June 30, 2017	224,216,880	400,000,000	1,033,751,579	1,433,751,579	1,657,968,459

The annexed notes from 1 to 44 form an integral part of these financial statements.

SHAIKH MOHAMMAD MUNEEER
Chairman

SHAIKH MUHAMMAD TANVEER
Chief Executive

SHAUKAT HUSSAIN
Chief Financial Officer

Notes to and Forming Part of the Financial Statements For the year ended June 30, 2017

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, Karachi in the province of Sindh, Pakistan.
- 1.2 The principal business of the company is to manufacture and sale of yarn. The manufacturing units are located at Pattoki and Raiwind in the province of Punjab.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of The Companies Ordinance, 1984 (the Ordinance) and the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under The Companies Ordinance, 1984, provisions of and directives issued there under. Wherever the requirements of The Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of IFRS or IFAS, the requirements of The Companies Ordinance, 1984 or the requirements of the said directives prevail.

2.2 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the company's functional and presentation currency and figures are rounded to the nearest rupee.

2.3 Changes in accounting standards, interpretations and pronouncements.

2.3.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year and are relevant.

There are certain new and amended standards and interpretations that are mandatory for the company's accounting periods beginning on or after July 01, 2016 but are considered not be to relevant or to have any significant effect on the Company's operations and are, therefore, not disclosed in these financial statements.

2.3.2 Standards, interpretations and amendments to existing standards that are applicable to the company but are not yet effective:

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 1 July 2017:

Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after 01 January 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments are not likely to have an impact on Company's financial statements.

Amendments to IAS 7 'Statement of Cash Flows' are part of IASB's broader disclosure initiative and are effective for annual periods beginning on or after 01 January 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from

financing activities, including both changes arising from cash flow and non-cash changes.

Amendments to IFRS 2 - Share-based Payment clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 01 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on Company's financial statements.

Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after 01 January 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on Company's financial statements.

IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 01 January 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be rejected in the measurement of current and deferred tax.

2.3.3 Annual improvements to IFRS standards 2014-2016 cycle. The new cycle of improvements addresses improvements to following approved accounting standards:

Amendments to IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after 01 January 2017) clarify that the requirements of IFRS 12 apply to an entity's interests that are classified as held for sale or discontinued operations in accordance with IFRS 5 - 'Non-current Assets Held for Sale and Discontinued Operations'. The amendments are not likely to have an impact on Company's financial statements.

Amendments to IAS 28 'Investments in Associates and Joint Ventures' (effective for annual periods beginning on or after 01 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on Company's financial statements.

The above improvements to standards are not likely to have material / significant impact on Company's financial statements.

In addition, the Companies Act, 2017 was enacted on 30 May 2017 and SECP vide its circular 17 of 2017 has clarified that the companies whose financial year closes on or before 30 June 2017 shall

prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Companies Act, 2017 applicable for financial year beginning on 01 July 2017 requires certain additional disclosures. Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of fixed assets to bring it in line with the requirements of IAS 16 - Property, plant and equipment.

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention on accrual basis except cash flows and for revaluation of certain financial instruments at fair value and recognition of certain staff retirement benefits at present value.

The company's significant accounting policies are stated in note 4. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies which the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows.

3.1 Provision for taxation

The company takes into account the current income tax law and decisions taken by the appellate authorities. Instances where the company's view differs from the view taken by the income tax department at the assessment stage and where the company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.2 Staff retirement benefits - gratuity

Certain actuarial assumptions have been adopted as disclosed in relevant note to the financial statements for valuation of present value of defined benefit obligation. Any changes in these assumptions in future year might affect unrecognized gains and losses in those years.

3.3 Financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on market conditions existing at balance sheet date.

3.4 Property, plant and equipment

The company reviews recoverable amount, useful life, residual value and possible impairment on an annual basis. Any changes, if material in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.

3.5 Other areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows.

3.5.1 Provision for doubtful debts

3.5.2 Estimation of net realizable value

3.5.3 Computation of deferred taxation

3.5.4 Disclosure of contingencies

4 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

4.1 Property, plant and equipment - owned

Recognition

Property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost of tangible assets consists of historical cost pertaining to erection / construction period and other directly attributable cost of bringing the asset to working condition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Depreciation

Depreciation on all items of property, plant and equipment except for freehold land is charged to income applying the reducing balance method so as to write off historical cost of an asset over its estimated useful life at the rates as disclosed in note 5. Depreciation on additions is charged from the month in which the asset is acquired or capitalized while no depreciation is charged in the month of disposal.

Derecognition

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

Assets acquired under Ijarah Arrangements with financial institutions are classified as operating lease under Islamic Financial Accounting Standard 'IFAS' - 2 "Ijarah" as notified by SECP vide S.R.O. 431 (I) / 2007 on 22 May 2007. The said standard requires the Ijarah payments under such arrangements to be recognized as an expense over the Ijarah term.

4.2 Accounting for leases and assets subject to finance lease

4.2.1 Finance lease

Recognition

Leases where the company has substantially all the risks and rewards of ownership are classified as finance lease. Assets subject to finance lease are initially recognized at the commencement of the lease term at the lower of present value of minimum lease payments under the lease agreements and the fair value of the leased assets, each determined at the inception of the lease. Subsequently these assets are stated at cost less accumulated depreciation and any identified impairment loss. The related rental obligations, net off finance cost, are included in liabilities against assets subject to finance lease. The liabilities are classified as current and non current depending upon the timing of payments.

Financial charges

Lease payments are allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The finance cost is charged to income over the lease term.

Depreciation

Assets acquired under a finance lease are depreciated in the same manner and at the same rates used for similar owned assets, so as to depreciate these assets over their estimated useful lives in view of certainty of ownership of these assets at the end of lease term. Depreciation of the leased assets is charged to income.

Deferred income

Income arising from sale and lease back transaction, if any, which results in finance lease, is deferred and amortized equally over the lease period.

4.2.2 Operating lease

Leases where significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income on a straight-line basis over the period of lease.

4.3 Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss. Transfers are made to relevant fixed assets category as and when assets are available for use.

4.4 Long term deposits

These are stated at cost which represents the fair value of consideration given.

4.5 Investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

4.5.1 Investment in subsidiary and associated companies

Investments in subsidiaries and associates are recognized at cost less impairment loss, if any. At each balance sheet date, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as expense. Where impairment losses subsequently reverses, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the profit and loss account.

4.5.2 Investment - available for sale

Investments that are intended to be held for an indefinite period of time or may be sold in response to the need for liquidity are classified as available for sale.

Investments classified as available for sale are initially measured at cost, being the fair value of consideration given. At subsequent reporting dates, these investments are remeasured at fair value (quoted market price), unless fair value cannot be reliably measured. The investments for which a quoted market price is not available, are measured at cost as it is not possible to apply any other valuation methodology. Unrealized gains and losses arising from the changes in the fair value are included in fair value reserves in the period in which they arise.

At each balance sheet date, the company reviews the carrying amounts of the investments to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are recognized as expense. In respect of available for

sale investments, cumulative impairment loss less any impairment loss previously recognized in profit and loss account, is removed from equity and recognized in the profit and loss accounts. Impairment losses recognized in the profit and loss account on equity instruments are not reversed through the profit and loss accounts.

All purchases and sales are recognized on the trade date which is the date that the company commits to purchase or sell the investment, except for sale and purchase of securities in future market which are accounted for at settlement date. Cost of purchase includes transaction cost.

4.6 Stores, spare parts and loose tools

These are valued at lower of cost and net realizable value. Cost is determined by moving average method. Items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

4.7 Stock in trade

These are valued at lower of cost and net realizable value except waste which is valued at net realizable value. Cost is determined as follows.

4.7.1 Raw material

In hand	Weighted average cost
In transit	Cost comprising invoice value plus other charges incurred thereon
4.7.2 Work in process	Raw material cost plus appropriate manufacturing overheads
4.7.3 Finished goods	Raw material cost plus appropriate manufacturing overheads
4.7.4 Waste	Net realizable value

Net realizable value signifies the estimated selling prices in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sales.

4.8 Trade debts and other receivables

Trade debts originated by the company are recognized and carried at original invoice value less any allowance for uncollectible amounts. An estimated provision for doubtful debts is made when there is objective evidence that collection of the full amount is no longer probable. The amount of provision is charged to income. Bad debts are written off as incurred. Other receivables are stated at amortized cost. Known impaired receivables are written off, while receivables considered doubtful are provided for.

4.9 Cash and cash equivalents

Cash in hand, cash at bank and short term deposits, which are held to maturity, are carried at cost. For the purpose of cash flow statements, cash and cash equivalent comprise cash in hand, with banks on current & saving accounts and short term borrowings.

4.10 Staff retirement benefits Defined benefit plan

The company operates an unfunded gratuity scheme covering for all its permanent employees who have attained the minimum qualifying period for entitlement to the gratuity.

Provision is made annually to cover the obligation on the basis of actuarial valuation and charged to income currently. The most recent actuarial valuation was carried on June 30, 2015 using the Projected Unit Credit Method.

Expense comprising of current service cost and interest cost is recorded in profit and loss account, whereas any remeasurements due to actuarial assumptions are charged to other comprehensive income as and when they arise.

4.11 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

4.11.1 Current

Provision for current taxation is based on taxability of certain income streams of the company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credit and tax rebates available, if any. The charge for current tax includes any adjustment to past years liabilities.

4.11.2 Deferred

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

4.12 Trade and other payables

Liabilities for trade and other payable are carried at cost which is fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

4.13 Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past event, and it is probable that an out flow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

4.14 Borrowings and borrowing costs

Borrowings are recorded at the proceeds received. Finance costs are accounted for on an accrual basis and are included in current liabilities to the extent of the amount remaining unpaid.

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of the borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset up to the date of its commissioning.

4.15 Revenue recognition

Revenue is recognized on dispatch of goods or on performance of services. Return on deposits is recognized on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

4.16 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of

exchange prevailing at the balance sheet date, except those covered by forward contracts, which are stated at contracted rates. Foreign currency transactions are translated into Pak Rupees at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. Non monetary items are translated into Pak Rupee on the date of transaction or on the date when fair values are determined. Exchange differences are included in income currently.

4.17 Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and derecognized when the company loses control of contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in the income statement for the year.

All financial assets and financial liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.18 Offsetting of financial assets and liabilities

A financial asset and financial liability is offset and the net amount is reported in the balance sheet if the company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and the liabilities simultaneously.

4.19 Impairment

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is the higher of sale value less cost to sell and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

4.20 Related party transactions

All transactions with related parties are carried out by the company at arms' length price using the method prescribed under the Companies Ordinance, 1984 with the exception of loan taken from related parties which is interest / mark up free.

4.21 Government grants

Government grants for meeting revenue expenses are set off from respective expenses in the year in which they become receivable.

4.22 Research and development cost

Research and development cost is charged to income statement in the year in which it is incurred.

4.23 Dividend

The dividend distribution to the shareholders is recognized as a liability in the period in which it is approved by the shareholders.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	2017 Rupees	2016 Rupees
Operating fixed assets	5.1	2,837,422,633	2,562,010,329
Capital work in progress - at cost	5.2	58,482,585	23,424,947
		2,895,905,218	2,585,435,276

5.1 Operating fixed assets

		2017						
	Cost as at July 01, 2016	Additions / (deletions)	Cost as at June 30, 2017	Accumulated depreciation as at July 01, 2016	Depreciation charge / (deletion) for the year	Accumulated depreciation as at June 30, 2017	Book value as at June 30, 2017	Annual depreciation rate %
Rupees								
Owned Assets								
Freehold land	174,304,150		174,304,150	-		-	174,304,150	0%
Building on freehold land	628,183,898	62,779,598	690,963,496	424,680,333	20,886,180	445,566,513	245,396,983	10%
Plant and machinery	4,561,407,477	474,207,793 (25,419,633)	5,010,195,637	2,531,131,308	237,865,570 (20,389,025)	2,748,607,853	2,261,587,784	10%
Electric installation	218,958,936	13,695,967	232,654,903	118,187,080	10,534,139	128,721,219	103,933,684	10%
Tools and equipment	63,699,374	-	63,699,374	45,086,199	1,861,319	46,947,518	16,751,856	10%
Furniture and fixture	29,437,875	2,512,026	31,949,901	11,975,686	1,838,342	13,814,028	18,135,873	10%
Office equipment	9,168,680	-	9,168,680	4,274,919	489,375	4,764,294	4,404,386	10%
Computers	18,459,028	775,425	19,234,453	14,709,636	1,253,900	15,963,536	3,270,917	30%
Vehicles	21,048,784	3,678,280 (2,999,386)	21,727,678	12,612,712	1,819,995 (2,342,029)	12,090,678	9,637,000	20%
30-Jun-17	5,724,668,202	557,649,089 (28,419,019)	6,253,898,272	3,162,657,873	276,548,820 (22,731,054)	3,416,475,639	2,837,422,633	
		2016						
	Cost as at July 01, 2015	Additions / (deletions)	Cost as at June 30, 2016	Accumulated depreciation as at July 01, 2015	Depreciation charge / (deletion) for the year	Accumulated depreciation as at June 30, 2016	Book values as at June 30, 2016	Annual depreciation rate %
Rupees								
Owned Assets								
Freehold land	174,304,150		174,304,150	-		-	174,304,150	0%
Building on freehold land	628,183,898		628,183,898	402,068,826	22,611,507	424,680,333	203,503,565	10%
Plant and machinery	4,302,754,550	262,302,927 (3,650,000)	4,561,407,477	2,316,898,090	215,488,453 (1,255,235)	2,531,131,308	2,030,276,169	10%
Electric installation	208,568,172	10,390,764	218,958,936	107,386,733	10,800,347	118,187,080	100,771,856	10%
Tools and equipment	61,699,374	2,000,000	63,699,374	43,184,734	1,901,465	45,086,199	18,613,175	10%
Furniture and fixture	28,112,366	1,793,004	29,437,875	10,151,086	1,850,112	11,975,686	17,462,189	10%
Office equipment	8,837,700	330,980	9,168,680	3,747,013	527,906	4,274,919	4,893,761	10%
Computers	17,687,180	771,848	18,459,028	13,317,716	1,391,920	14,709,636	3,749,392	30%
Vehicles	23,906,114	715,450 (3,572,780)	21,048,784	13,569,975	2,334,394 (3,291,657)	12,612,712	8,436,072	20%
30-Jun-16	5,454,053,504	278,304,973 (7,690,275)	5,724,668,202	2,910,324,173	256,906,104 (4,572,404)	3,162,657,873	2,562,010,329	

5.1.1 Depreciation for the year has been allocated as under.

	2017 Rupees	2016 Rupees
Cost of sales	272,832,410	252,617,899
Administrative expenses	3,716,410	4,288,205
	276,548,820	256,906,104

5.2 Capital work in progress - at cost

Building - civil works	49,185,610	14,127,972
Electric Installation	9,296,975	9,296,975
	58,482,585	23,424,947

The movement in capital work in progress is as follows.

Balance at the beginning of the year	23,424,947	7,787,630
Additions during the year		
Building - civil works	94,971,681	14,127,972
Electric installation	-	1,509,345
	94,971,681	15,637,317
Transfer to operating fixed assets		
Building - civil works	59,914,043	-
Electric installation	-	-
	59,914,043	-
Balance at the end of the year	58,482,585	23,424,947

5.3 Disposal of property, plant and equipment

Particulars	Particulars of buyer	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (Loss)	Mode of disposal
Rupees							
Vehicles							
Toyota Corolla	Tajammal Hussain Khan	1,499,693	1,167,884	331,809	350,000	18,191	Negotiation
Toyota Corolla	Karam Bibi	1,499,693	1,174,145	325,548	350,000	24,452	Negotiation
	Sub total	2,999,386	2,342,029	657,357	700,000	42,643	
Plant and machinery							
Howa Card	Farooq Spinning (pvt) Ltd	4,800,413	4,470,192	330,221	436,364	106,143	Negotiation
Howa Card	Sapphire Fiber Ltd	1,200,103	1,117,548	82,555	120,000	37,445	Negotiation
Hacoba 850 c Thread	Sapphire Textile Mills Ltd	11,383,117	8,531,553	2,851,564	5,000,000	2,148,436	Negotiation
Howa Ring Spinning Frame	Usay Trading Compay	5,900,000	5,490,069	409,931	547,009	137,078	Negotiation
Gas Generator CAT	Generator House	2,136,000	779,663	1,356,337	672,269	(684,068)	Negotiation
	Sub total	25,419,633	20,389,025	5,030,608	6,775,642	1,745,034	
	Grand total	28,419,019	22,731,054	5,687,965	7,475,642	1,787,677	

Note	2017 Rupees	2016 Rupees
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5.4 Loss / (Gain) on disposal property, plant and equipment

Cost		28,419,019	7,690,275
Less : Accumulated depreciation		(22,731,054)	(4,572,404)
		5,687,965	3,117,871
Sale proceeds		(7,475,642)	(2,985,389)
(Gain) / Loss on disposal of property, plant and equipment	28 & 30	(1,787,677)	132,482
(Gain) on disposal of property, plant and equipment		(2,471,745)	(40,061)
Loss on disposal of property, plant and equipment		684,068	172,543

	Note	2017 Rupees	2016 Rupees
6 LONG TERM DEPOSITS			
Security deposits			
Electricity - WAPDA	6.1	13,882,651	13,882,651
Ijarah Deposits	6.2	1,196,210	691,900
Others	6.1	390,700	390,700
		15,469,561	14,965,251

6.1 These deposits are non-interest bearing.

6.2 These represents deposits against the vehicles under Ijarah agreement obtained from Habib Metropolitan Bank Limited - Islamic banking branch and hence carry no markup.

		2017 Rupees	2016 Rupees
7 DEFERRED TAXATION			
The deferred taxation liability / (asset) comprises of following temporary differences.			
Taxable temporary differences (deferred tax liabilities)			
Accelerated tax depreciation allowance		(245,687,346)	(193,250,384)
Deductible temporary differences (deferred tax assets)			
Staff retirement benefits - gratuity		22,769,518	16,777,909
Unused tax credits - unabsorbed depreciation		206,382,475	195,825,529
		(16,535,353)	19,353,054

7.1 In view of applicability of presumptive tax regime, deferred tax assets has been worked out after taking effect of income covered under presumptive tax regime.

	Note	2017 Rupees	2016 Rupees
8 STORES, SPARE PARTS AND LOOSE TOOLS			
At Mills			
Stores - at mills		235,684,196	52,213,843
Stores - in transit		16,324,525	51,449,397
Spare parts		377,828,080	301,194,344
Loose tools		97,197	152,453
		629,933,998	405,010,037
9 STOCK IN TRADE			
Raw material			
Raw material in hand		1,716,459,213	813,578,012
Raw material in transit		12,744,471	34,184,469
Work in process		114,191,402	87,942,065
Finished goods	9.1	442,175,295	176,404,339
Waste		9,350,246	1,811,060
Packaging		16,767,531	16,533,316
		2,311,688,158	1,130,453,261

9.1 Finished goods amounting to Rs. 216,225,376 (June 30, 2016 : Rs 65,057,087) are stated at their net realizable value aggregating Rs. 208,410,375 (June 30, 2016 : Rs. 57,192,314). The amount charged to profit and loss in respect of stocks written down to their net realizable value is Rs. 7,815,001 (June 30, 2016 : Rs. 7,864,773).

	Note	2017 Rupees	2016 Rupees
10 TRADE DEBTS			
Considered good			
Secured	10.1	51,184,364	115,513,651
Unsecured		657,480,105	683,855,001
		708,664,469	799,368,652

10.1 This represents trade debts arising on account of export sales which are secured by way of Export letter of credit.

	Note	2017 Rupees	2016 Rupees
11 ADVANCES - Considered good			
Advance to employees against wages		7,760,406	8,262,379
Advance to employees against expenses		1,436,592	1,841,143
Advances to suppliers		26,715,210	39,248,445
Others		3,768,521	6,979,818
Secured - Considered good			
Advance against letter of credit	11.1	1,438,172	1,268,497
		41,118,901	57,600,282

11.1 These advances are secured against Import letter of credit.

11.2 These advances are non-interest bearing.

	Note	2017 Rupees	2016 Rupees
12 TRADE DEPOSITS			
Security deposits			
Ijarah Deposits	12.1	468,600	201,000
Others	12.2	997,592	997,592
		1,466,192	1,198,592

12.1 These represents deposits against the vehicles under Ijarah agreement obtained from Habib Metropolitan Bank Limited - Islamic banking branch and hence carry no markup.

12.2 These deposits are non-interest bearing.

	Note	2017 Rupees	2016 Rupees
13 OTHER RECEIVABLES			
Export rebate	13.1	22,641,446	139,233
Insurance claim receivable	13.2	-	14,378,421
Cotton claims receivable	13.1	1,566,681	7,737,625
Others	13.3	820,643	1,128,015
		25,028,770	23,383,294

13.1 It is a non-interest bearing receivable.

13.2 This represents amount from Adamjee Insurance Limited against the claim filed for the loss of cotton sustained due to fire. It is a non-interest bearing receivable.

13.3 It includes Rs.0 (June 30, 2016 Rs. 343,872) receivable from following related parties against reimbursement of shared expenses and do not carry any markup.

	2017 Rupees	2016 Rupees
Din Farm Products (Pvt) Ltd	-	79,237
Din Industries Ltd	-	264,635
	-	343,872

	2017 Rupees	2016 Rupees
14 TAX REFUND DUE FROM THE GOVERNMENT		
Income Tax		
Opening balance	236,402,878	261,557,589
Paid/ Adjusted during the year -Net	78,703,617	27,260,426
Less Provision for the year	(29,311,448)	(52,415,137)
	285,795,047	236,402,878
Sales tax	355,688,018	283,392,363
	641,483,065	519,795,241

	Note	2017 Rupees	2016 Rupees
15 CASH AND BANK BALANCES			
Cash with banks			
In current accounts	15.1	48,011,232	69,342,438
In dividend accounts	15.2	3,323,823	3,469,539
In savings account	15.3 & 15.4	31,689	30,505
		51,366,744	72,842,482

- 15.1** It includes balance with associated company (MCB Bank Limited) of Rs. 18,821 (June 30, 2016 : Rs. 33,121).
- 15.2** It represents balance with associated company (MCB Bank Limited) of Rs. 929,841 (June 30, 2016 : Rs. 930,091).
- 15.3** It represents balance with associated company (MCB Bank Limited) of Rs. 18,620 (June 30, 2016 : Rs. 17,991).
- 15.4** It carries mark up at the rate of 3.50 to 4.00 (June 30, 2016 : 3.50 to 4.00) percent per annum. These balances are placed with banks under conventional banking arrangements.

	Note	2017 Rupees	2016 Rupees
16 TRADE AND OTHER PAYABLES			
Creditors		185,361,370	160,435,270
Murahaba	16.1	1,872,626,372	1,225,074,513
Accrued liabilities	16.2	272,487,542	167,565,123
Advances from customers		29,194,440	28,524,826
Sales tax claim payable	16.3	14,759,965	14,759,965
Workers' profit participation fund	16.4	157,270	3,801,536
Workers' welfare fund		30,376	4,104,660
Unclaimed dividend		5,105,350	5,176,708
Withholding tax payable		-	5,157
Deposits	16.5	3,808,607	3,808,607
Other payables	16.6	1,365,057	231,420
		2,384,896,349	1,613,487,785

- 16.1** These facilities are secured against first pari passu hypothecation and floating charge over company's stocks, book debts and receivables and lien over export documents of the company. Overall limits for these facilities are disclosed in note 18.1. Mark up ranges from 5.77 to 6.68 (June 30, 2016 : 5.83 to 9.31) percent per annum. These facilities are expiring on various dates from October 2017 to April 2018.
- 16.2** The company has filed appeal in the Lahore High Court, Lahore and Honorable Lahore High Court has granted stay order against tariff difference amounted to Rs 22,416,224 from July 2016 to May 2017 claimed by SNGPL. The decision of court is still pending.
- 16.3** The company has filed appeal in High Court of Sindh, Karachi against the order of Custom / Excise and Sales Tax Appellate Tribunal, Karachi regarding penalty and additional tax. The decision of court is still pending.

	2017 Rupees	2016 Rupees
16.4 Workers' profit participation fund		
Opening balance	3,801,536	-
Interest on fund utilized in company's business	77,333	-
	3,878,869	-
Paid during the year	(3,801,536)	(7,000,200)
	77,333	(7,000,200)
Allocation for the year	79,937	10,801,736
Closing balance	157,270	3,801,536

- 16.4.1** Interest on Workers' profit participation fund has been provided at the rate of 7.5 % per annum (June 30, 2016 : 0.00%).
- 16.5** These are non- interest bearing deposits.
- 16.6** This amount represents Rs. 165,057 (June 30, 2016 Rs. 231,420) payable to related party- Din Leather Private Limited against reimbursement of expenses.

	Note	2017 Rupees	2016 Rupees
17 ACCRUED MARK UP AND INTEREST			
Mark up / interest accrued on secured loans			
Long term financing		9,577,840	12,213,037
Short term borrowings		58,343,920	24,451,386
		67,921,760	36,664,423
18 SHORT TERM BORROWINGS - Secured			
<i>Conventional</i>			
Running finance under markup arrangements	18.1	399,039,916	383,805,831
Money market loan under markup arrangement	18.1	1,124,250,000	550,000,000
<i>Islamic</i>			
Short term finance under Running Musharakah	18.2	283,839,003	9,045,965
		1,807,128,919	942,851,796

18.1 These facilities are available from various commercial banks for meeting working capital requirements. These are secured against first pari passu charge, joint floating/hypothecation over present and future stocks, book debts, movables, receivables, and lien on export / import documents of the company. These carry markup ranging from 6.01% to 7.04% (June 30, 2016: 6.30% to 7.37%) per annum. These facilities are expiring on various dates from October 2017 to April 2018.

18.2 The company has obtained short term running finance under running musharakah. These are secured against first pari passu charge and joint pari passu floating charge over movables, receivables, stocks and book debts of the company. The rate of profit ranges from 6.18% to 6.44% (June 30, 2016: from 6.55% to 6.71%). This facility matures within twelve months and is renewable.

	Note	2017 Rupees	2016 Rupees
19 LONG TERM FINANCING - Secured			
From banking companies and financial institutions under markup arrangements			
<i>Conventional</i>			
Bank Alfalah	19.1	534,368,800	199,773,000
Allied Bank Ltd	19.2	192,382,000	14,277,000
<i>Islamic</i>			
Meezan Bank Ltd	19.3	422,682,760	689,740,520
Habib Metropolitan Bank Ltd	19.4	127,412,271	284,848,939
		1,276,845,831	1,188,639,459
Less: Current portion		(421,254,799)	(447,430,021)
		855,591,032	741,209,438

Bank	Facility	Outstanding Amount	Mark up rate	No. of installments Outstanding	Date of last installment	Security	
Conventional							
19.1	Bank Alfalah Limited	SBP-LTFF	2,667,600	SBP refinance rate + 0.50%	18 Semi Annual	29-Mar-26	First pari passu hypothecation charge of Rs. 267.00 million on specific assets (plant and machinery) with 25 percent margin.
		SBP-LTFF	41,527,800	SBP refinance rate + 0.50%	18 Semi Annual	8-Apr-26	
		SBP-LTFF	79,228,800	SBP refinance rate + 0.50%	18 Semi Annual	18-Apr-26	
		SBP-LTFF	23,415,300	SBP refinance rate + 0.50%	18 Semi Annual	16-May-26	
		SBP-LTFF	32,956,200	SBP refinance rate + 0.50%	18 Semi Annual	21-Jun-26	
		SBP-LTFF	29,084,250	SBP refinance rate + 0.50%	19 Semi Annual	15-Sep-26	
		SBP-LTFF	8,094,000	SBP refinance rate + 0.50%	19 Semi Annual	28-Nov-26	First pari passu hypothecation charge of Rs. 671.519 million on specific assets (plant and machinery) with 25 percent margin.
		SBP-LTFF	26,032,850	SBP refinance rate + 0.50%	19 Semi Annual	21-Dec-26	
		SBP-LTFF	41,860,000	SBP refinance rate + 0.50%	20 Semi Annual	12-Jan-27	
		SBP-LTFF	2,944,000	SBP refinance rate + 0.50%	20 Semi Annual	1-Feb-27	
		SBP-LTFF	53,857,000	SBP refinance rate + 0.50%	20 Semi Annual	7-Mar-27	
		SBP-LTFF	3,701,000	SBP refinance rate + 0.50%	20 Semi Annual	13-Mar-27	
		SBP-LTFF	79,490,000	SBP refinance rate + 0.50%	20 Semi Annual	16-Mar-27	
		SBP-LTFF	24,521,000	SBP refinance rate + 0.50%	20 Semi Annual	24-Mar-27	
		SBP-LTFF	18,907,000	SBP refinance rate + 0.50%	20 Semi Annual	28-Mar-27	
		SBP-LTFF	18,955,000	SBP refinance rate + 0.50%	20 Semi Annual	28-Apr-27	
		SBP-LTFF	47,127,000	SBP refinance rate + 0.50%	20 Semi Annual	2-May-27	
		Total	534,368,800				
19.2	Allied Bank Ltd	SBP-LTFF	7,830,000	SBP refinance rate + 0.50%	32 Quarterly	19-Apr-26	The Loan is secured against first specific charge of Rs. 9,787,500 on machinery with 25 percent margin.
		SBP-LTFF	6,447,000	SBP refinance rate + 0.50%	32 Quarterly	19-Apr-26	The Loan is secured against first specific charge of Rs. 8,058,750 on machinery with 25 percent margin.
		SBP-LTFF	8,750,000	SBP refinance rate + 0.50%	32 Quarterly	8-Aug-26	The Loan is secured against first specific charge of Rs. 10,937,500 on machinery with 25 percent margin.
		SBP-LTFF	1,024,000	SBP refinance rate + 0.50%	32 Quarterly	17-Aug-26	The Loan is secured against first specific charge of Rs. 1,280,000 on machinery with 25 percent margin.
		SBP-LTFF	22,095,000	SBP refinance rate + 0.50%	32 Quarterly	3-Oct-26	The Loan is secured against first specific charge of Rs. 27,618,750 on machinery with 25 percent margin.
		SBP-LTFF	3,560,000	SBP refinance rate + 0.50%	32 Quarterly	23-Nov-26	The Loan is secured against first specific charge of Rs. 4,450,000 on machinery with 25 percent margin.
		SBP-LTFF	129,067,000	SBP refinance rate + 0.50%	32 Quarterly	21-Dec-26	The Loan is secured against first specific charge of Rs. 161,333,750 on machinery with 25 percent margin.
		SBP-LTFF	2,631,000	SBP refinance rate + 0.50%	32 Quarterly	9-Jan-27	The Loan is secured against first specific charge of Rs. 3,288,750 on machinery with 25 percent margin.
		SBP-LTFF	6,808,000	SBP refinance rate + 0.50%	32 Quarterly	2-Feb-27	The Loan is secured against first specific charge of Rs. 8,510,000 on machinery with 25 percent margin.
		SBP-LTFF	4,170,000	SBP refinance rate + 0.50%	32 Quarterly	7-Feb-27	The Loan is secured against first specific charge of Rs. 5,212,500 on machinery with 25 percent margin.
	Total	192,382,000					

Islamic

19.3	Meezan Bank Ltd	Diminishing Musharika	175,000,000	6 Month Kibor + 0.75%	02 Semi Annual	30-May-18	The Loan is secured against first specific charge of Rs. 879.305 million over fixed assets with 20 percent margin.
		Diminishing Musharika	121,875,000	6 Month Kibor + 0.50%	05 Semi Annual	26-Nov-19	The Loan is secured against first specific charge of Rs. 243.750 million over fixed assets with 20 percent margin.
		Diminishing Musharika	2,057,760	6 Month Kibor + 0.50%	02 Semi Annual	20-Feb-18	The Loan is secured against first specific charge of Rs. 5.400 million over fixed assets with 24 percent margin.
		Diminishing Musharika	123,750,000	6 Month Kibor + 0.50%	06 Semi Annual	25-Mar-20	The Loan is secured against first specific charge of Rs. 206.250 million over fixed assets with 20 percent margin.
	Total	422,682,760					

19.4	Habib Metropolitan Bank Ltd	Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	28-Aug-16	The Loan is secured against first specific charge up to Rs.36,196,986 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	30-Oct-16	The Loan is secured against first specific charge up to Rs.10,732,800 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	30-Oct-16	The Loan is secured against first specific charge up to Rs.9,043,450 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	30-Oct-16	The Loan is secured against first specific charge up to Rs.9,041,500 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	30-Oct-16	The Loan is secured against first specific charge up to Rs.46,547,720 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	6-Nov-16	The Loan is secured against first specific charge up to Rs.23,967,000 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	29-Jan-17	The Loan is secured against first specific charge up to Rs.24,705,000 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	13-Mar-17	The Loan is secured against first specific charge up to Rs.11,840,800 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	18-Apr-17	The Loan is secured against first specific charge up to Rs.21,231,000 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	-	3 Month Kibor + 1%	00 Quarterly	18-Apr-17	The Loan is secured against first specific charge up to Rs.7,922,250 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	4,118,458	3 Month Kibor + 1%	01 Quarterly	23-Jul-17	The Loan is secured against first specific charge up to Rs.54,912,750 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	7,314,450	3 Month Kibor + 1%	02 Quarterly	28-Oct-17	The Loan is secured against first specific charge up to Rs.48,763,000 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	2,625,480	3 Month Kibor + 1%	02 Quarterly	28-Oct-17	The Loan is secured against first specific charge up to Rs.17,503,200 over musharika asset, demand promissory note and standing debit instructions.
		Diminishing Musharika	810,894	3 Month Kibor + 1%	02 Quarterly	1-Dec-17	The Loan is secured against first specific charge up to Rs.5,405,948 over musharika asset, demand promissory note and standing debit instructions.

Habib Metropolitan Bank Ltd	Diminishing Musharika	1,079,215	3 Month Kibor + 1%	02 Quarterly	3-Dec-17	The Loan is secured against first specific charge up to Rs.7,194,750 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	416,863	3 Month Kibor + 1%	02 Quarterly	23-Dec-17	The Loan is secured against first specific charge up to Rs.2,779,110 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	370,280	3 Month Kibor + 1%	02 Quarterly	23-Dec-17	The Loan is secured against first specific charge up to Rs.2,468,544 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	4,580,294	3 Month Kibor + 1%	03 Quarterly	29-Jan-18	The Loan is secured against first specific charge up to Rs.20,356,874 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	2,138,500	3 Month Kibor + 1%	03 Quarterly	30-Jan-18	The Loan is secured against first specific charge up to Rs.9,504,432 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	2,727,675	3 Month Kibor + 1%	03 Quarterly	30-Jan-18	The Loan is secured against first specific charge up to Rs.12,123,000 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	22,966,288	3 Month Kibor + 1%	04 Quarterly	18-Jun-18	The Loan is secured against first specific charge up to Rs.51,036,200 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	854,247	3 Month Kibor + 1%	04 Quarterly	24-Jun-18	The Loan is secured against first specific charge up to Rs.2,847,500 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	2,164,500	3 Month Kibor + 1%	04 Quarterly	24-Jun-18	The Loan is secured against first specific charge up to Rs.7,215,000 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	4,410,446	3 Month Kibor + 1%	04 Quarterly	30-Jun-18	The Loan is secured against first specific charge up to Rs.14,701,500 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	18,697,824	3 Month Kibor + 1%	6 Quarterly	25-Nov-18	The Loan is secured against first specific charge up to Rs.41,550,720 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	19,293,588	3 Month Kibor + 1%	6 Quarterly	25-Nov-18	The Loan is secured against first specific charge up to Rs.42,874,640 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	770,212	3 Month Kibor + 1%	6 Quarterly	25-Nov-18	The Loan is secured against first specific charge up to Rs.1,711,584 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	4,284,630	3 Month Kibor + 1%	6 Quarterly	25-Nov-18	The Loan is secured against first specific charge up to Rs.9,521,400 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	2,247,936	3 Month Kibor + 1%	8 Quarterly	13-May-19	The Loan is secured against first specific charge up to Rs.3,746,560 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	8,416,800	3 Month Kibor + 1%	8 Quarterly	13-May-19	The Loan is secured against first specific charge up to Rs.14,028,000 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	3,154,431	3 Month Kibor + 1%	8 Quarterly	13-May-19	The Loan is secured against first specific charge up to Rs.5,257,386 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	11,010,960	3 Month Kibor + 1%	8 Quarterly	13-May-19	The Loan is secured against first specific charge up to Rs.18,351,600 over musharika asset, demand promissory note and standing debit instructions.
	Diminishing Musharika	1,029,600	3 Month Kibor + 1%	12 Quarterly	26-Jul-20	The Loan security including but not limited to the title documents of the musharakah assets, hypothecation charge, mortgage charge and demand promissory note

Habib Metropolitan Bank Ltd	Diminishing Musharika	962,100	3 Month Kibor + 1%	12 Quarterly	26-Jul-20	The Loan security including but not limited to the title documents of the musharakah assets, hypothecation charge, mortgage charge and demand promissory note
	Diminishing Musharika	966,600	3 Month Kibor + 1%	12 Quarterly	26-Jul-20	
Total		127,412,271				

20 STAFF RETIREMENT BENEFITS - GRATUITY

20.1 Movement in the net liability recognised in the balance sheet

Opening net liability		100,073,826	104,080,675
Expense for the year	20.2	49,046,422	48,486,090
Remeasurements recognised		(2,018,858)	(13,993,437)
		147,101,390	138,573,328
Benefits paid during the year		(36,272,985)	(38,499,502)
Closing net liability		110,828,405	100,073,826

20.2 Expense recognised in the income statement

Current service cost		43,130,668	40,215,075
Interest cost		5,915,754	8,271,015
		49,046,422	48,486,090

20.3 Total measurements chargeable in Other comprehensive income

Actuarial losses from changes in financial assumptions		228,923	7,442,994
Experience adjustment		(2,247,781)	(21,436,431)
		(2,018,858)	(13,993,437)

20.4 Movement in the present value of defined benefit obligation

Present value of defined benefit obligation		100,073,826	104,080,675
Current service cost		43,130,668	40,215,075
Interest cost		5,915,754	8,271,015
Actuarial gain		(2,018,858)	(13,993,437)
Benefits paid		(36,272,985)	(38,499,502)
		110,828,405	100,073,826

20.5 Historical information

	2017	2016	2015	2014	2013
Present value of defined benefit obligation	110,828,405	100,073,826	104,080,675	139,114,050	99,688,452
Experience adjustments on plan liabilities	2,018,858	13,993,437	10,882,909	(10,427,758)	7,035,391

20.6 General description

The scheme provides for terminal benefits for all of its permanent employees who attain the minimum qualifying period. Annual charges is made using the actuarial technique of Projected Unit Credit Method.

	2017	2016
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20.7 Principal actuarial assumption

Following are a few important actuarial assumption used in the valuation.

Financial assumptions

Discount rate used to Charge Interest Cost in Profit & Loss	7.25%	9.75%
Discount rate used for year end obligation	7.25%	7.25%
Expected rate of increase in future salary	5.75%	5.25%

Demographic assumptions

Mortality rates	SLIC 2001 - 2005	SLIC 2001 - 2005
Withdrawal rates	Age based	Age based
Retirement assumption	Age 60 years	Age 60 years

21.8 Sensitivity analysis of actuarial assumption

The calculation of defined benefit obligation is sensitive to assumptions given above. The below information summarizes how the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of change in respective assumptions by 100 basis point.

	Increase in assumption	Decrease in assumption
Discount rate	5,872,390	5,220,613
Expected rate of increase in future salaries	5,643,277	6,354,092

20.9 Expected gratuity expense for the year ending June 30, 2017 works out to Rs. 51,918,703

	Number of years	
20.10 Weighted average duration of the defined benefit obligation	5 years	6 years

21 CONTINGENCIES AND COMMITMENTS

21.1 The Company has issued post dated cheques amounting to Rs. 189.459 million (June 30, 2016 : Rs. 166.029 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.

	2017 Rupees	2016 Rupees
21.2 Contingencies		
Bills discounted with recourse	342,973,080	348,056,121
Bank guarantees issued in the ordinary course of business	224,562,620	204,591,764
21.3 Commitments		
Letters of credit for capital expenditure	137,679,555	273,073,141
Letters of credit for raw material	5,656,896	111,796,408
Letters of credit for stores and spares	14,845,149	37,201,957

22 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2017 Number of shares	2016 Number of shares		2017 Rupees	2016 Rupees
13,479,600	13,479,600	Ordinary shares of Rs. 10 each allotted for consideration paid in cash	134,796,000	134,796,000
1,962,334	1,962,334	Ordinary shares of Rs. 10 each allotted for consideration of amalgamation of power plant	19,623,340	19,623,340
6,979,754	6,979,754	Ordinary shares of Rs. 10 each allotted as fully paid bonus shares	69,797,540	69,797,540
22,421,688	22,421,688		224,216,880	224,216,880

22.1 Associated company (Din Leather (Pvt.) Limited) held 7,260 (June 30, 2016 : 7,260) ordinary shares of the company.

22.2 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.

	2017 Rupees	2016 Rupees
23 RESERVES		
General	400,000,000	400,000,000
Unappropriated profit	1,033,751,579	1,123,471,253
	1,433,751,579	1,523,471,253

	Note	2017 Rupees	2016 Rupees
24			
SALES - NET			
Export			
Yarn - Direct export	24.1	1,300,597,917	1,482,515,143
Yarn - Indirect export		597,809,102	840,081,509
Waste and others		87,979,813	73,691,671
Rebate and duty draw back		22,875,038	134,737
Total export sales		2,009,261,870	2,396,423,060
Local			
Yarn		5,437,908,908	4,976,655,670
Raw Material		5,229,180	250,835,901
Waste and others		89,490,965	92,023,535
Total local sales		5,532,629,053	5,319,515,106
		7,541,890,923	7,715,938,166
Sales Tax		2,260,966	173,850,857
		7,544,151,889	7,889,789,023
Commission and claims		(120,099,229)	(113,334,433)
Sales Tax		(2,260,966)	(173,850,857)
		7,421,791,694	7,602,603,733

24.1 This includes net exchange gain / (loss) amounting to Rs. (1,570,274) (June 30, 2016 : Rs. 10,448,922).

	Note	2017 Rupees	2016 Rupees
25			
COST OF SALES			
Cost of goods manufactured	25.1	7,217,960,879	6,922,398,661
Finished goods			
Opening stock		178,215,399	198,763,915
Closing stock		(451,525,541)	(178,215,399)
		6,944,650,737	6,942,947,177
25.1 Cost of goods manufactured			
Raw material consumed	25.1.1	5,060,139,003	4,648,939,443
Cost of raw material sold		5,247,220	256,471,924
Packing material consumed		111,605,124	113,531,035
Stores and spares consumed		154,759,311	166,292,844
Salaries, wages and other benefits	25.1.2	724,408,434	698,941,322
Fuel and power		813,294,777	707,673,827
Insurance		21,439,911	21,033,247
Repairs and maintenance		24,500,785	24,007,671
Depreciation	5.1.1	272,832,410	252,617,899
Ijarah rentals	34	3,465,318	4,057,584
Vehicle running and maintenance		5,678,948	6,018,690
Fee and subscriptions		1,543,086	3,634,311
Books and periodicals		53,005	58,214
Postage and telephone		601,633	515,901
Travelling and conveyance		7,181,277	5,924,552
Legal and professional		1,319,500	152,000
Rent, rates and taxes		17,740,340	7,309,968
Other overheads		18,400,134	16,484,467
		7,244,210,216	6,933,664,899
Work in process			
Opening stock		87,942,065	76,675,827
Closing stock		(114,191,402)	(87,942,065)
		(26,249,337)	(11,266,238)
		7,217,960,879	6,922,398,661

	2017 Rupees	2016 Rupees
25.1.1 Raw material consumed		
Opening stock	813,578,012	843,672,586
Purchases	5,749,253,646	4,641,659,814
	6,562,831,658	5,485,332,400
Closing stock	(1,716,459,213)	(813,578,012)
Dyeing charges	4,846,372,445	4,671,754,388
Cost of raw material sold	219,013,778	233,656,979
	(5,247,220)	(256,471,924)
	5,060,139,003	4,648,939,443

25.1.2 Salaries, wages & other benefits includes Rs. 44,895,527 (June 30, 2016 : Rs. 45,109,463) in respect of staff retirement benefits.

	Note	2017 Rupees	2016 Rupees
26 DISTRIBUTION COST			
Ocean freight		23,278,652	16,858,918
Air freight		1,229,850	4,547,223
Local freight		19,028,000	20,609,801
Clearing and forwarding		4,011,980	3,818,704
Export development surcharge		3,539,588	4,125,250
Others		2,445,099	1,134,935
Travelling expense		415,243	678,431
		53,948,412	51,773,262
27 ADMINISTRATIVE EXPENSES			
Directors' remuneration	33	29,065,000	39,262,419
Staff salaries and other benefits	27.1	75,768,442	63,490,850
Travelling and conveyance		2,547,344	1,945,297
Vehicle running and maintenance		1,202,233	1,376,766
Rent, rates and taxes		660,500	75,000
Electricity, gas and water		1,660,474	1,530,578
Printing and stationery		1,386,337	1,255,402
Fees, subscription and periodicals		6,177,323	2,501,639
Legal and professional		1,808,600	2,228,750
Repairs and maintenance		4,486,086	2,532,242
Postage and telephone		3,443,799	3,280,339
Entertainment		1,622,051	1,459,968
Advertisement		103,400	203,600
Depreciation	5.1.1	3,716,410	4,288,205
Ijarah rentals	34	374,550	-
Others		4,711,802	5,339,410
		138,734,351	130,770,465

27.1 Staff salaries and other benefits includes Rs. 4,150,895 (June 30, 2016 : Rs. 3,376,627) in respect of staff retirement

	Note	2017 Rupees	2016 Rupees
28 OTHER OPERATING EXPENSES			
Workers' profit participation fund	16.4	79,937	10,801,736
Workers' welfare fund		30,376	4,104,660
Loss on sale of property, plant and equipment	5.4	-	132,482
Donation	28.1	1,225,435	-
Auditors' remuneration	28.2	1,411,000	1,411,000
Loss on translation of foreign currency account		3,733	37,192
		2,750,481	16,487,070

28.1 None of the directors or their spouses had any interest in donee fund.

		2017 Rupees	2016 Rupees
28.2	Auditors' remuneration		
	Audit fee	1,211,000	1,211,000
	Half yearly review fee	100,000	100,000
	Tax services	100,000	100,000
		<u>1,411,000</u>	<u>1,411,000</u>
29	FINANCE COST		
	Mark up / interest on		
	Long term financing	64,964,818	87,323,119
	Short term borrowings	202,641,054	162,464,326
	Workers' profit participation fund	16.4	77,333
	Bank charges and commission	14,327,305	9,717,112
		<u>282,010,510</u>	<u>259,504,557</u>
30	OTHER INCOME		
	<i>From financial assets</i>		
	Profit on savings account	3,553	7,116
	<i>From other than financial assets</i>		
	Gain on disposal of property, plant and equipment	5.4	1,787,677
		<u>1,791,230</u>	<u>7,116</u>
31	TAXATION		
	Provision / reversal for taxation		
	Current Taxation:		
	Current	28,568,653	51,690,967
	Prior	742,795	724,170
	Deferred taxation		
	Current year	35,473,636	88,194,439
	Prior year - effect of change in tax rate	-	-
		<u>64,785,084</u>	<u>140,609,576</u>
31.1	Tax expense for the year is calculated under section 169 as proportion of export sales and under section 113 as minimum tax for the year, therefore the assessment of the company will be finalized under final tax regime.		
31.2	Relationship between income tax expense and accounting profit		
	Profit / (Loss) before taxation	<u>1,488,433</u>	<u>201,128,318</u>
	Tax at the applicable rate of 31% (2016: 32%)	461,414	64,361,062
	Prior year tax effect	742,795	724,170
	Tax credit effect	(47,420,779)	(26,230,293)
	Effect of income tax at lower rate	111,001,654	101,754,637
	Effect of reduction in rate	-	-
		<u>64,785,084</u>	<u>140,609,576</u>
		2017	2016
32	(LOSS) / EARNING PER SHARE		
	Basic (loss) / earning per share		
	(Loss) / Profit for the year	Rupees	<u>(63,296,651)</u>
	Weighted average number of ordinary shares outstanding during the year	Numbers	<u>22,421,688</u>
	(Loss) / Earning per share - basic and diluted	Rupees	<u>(2.82)</u>
32.1	There were no convertible dilutive potential ordinary shares in issue as at June 30, 2017 and June 30, 2016.		

33 REMUNERATION TO DIRECTORS AND EXECUTIVES

	2017			2016		
	Chief Executive	Director	Executive	Chief Executive	Director	Executive
	Rupees			Rupees		
Managerial remuneration	13,200,000	13,200,000	88,400,915	13,200,000	22,461,290	65,912,751
Medical allowance	1,320,000	1,320,000	8,840,093	1,320,000	2,246,129	6,971,277
Director Meeting Fee	-	25,000	-	-	35,000	-
	14,520,000	14,545,000	97,241,008	14,520,000	24,742,419	72,884,028
Number of persons	1	2	67	1	3	50

33.1 The chairman of the company has waived off his remuneration.

33.2 The company also bears the travelling expenses of the directors relating to travel for official purposes.

33.3 Meeting fee of Rupees 25,000 (2016: Rupees 35,000) was paid to the non-executive directors for attending meetings.

	2017 Rupees	2016 Rupees
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34 IJARAH

Total future ijarah payment

Upto one year	4,988,348	2,657,816
Later than one year but not later than five years	7,285,541	2,657,006
	12,273,889	5,314,822

34.1 The total ijarah rentals due under the ijarah agreements aggregate Rs. 12.274 million (June 30, 2016 : Rs. 5.315 million) and are payable in equal monthly installments under various ijarah agreements, latest by 2020. If any ijarah is terminated, the Mustajir (lessee) is required to pay the purchase price specified in the ijarah agreements. The cost of repairs and insurance are borne by the Mustajir (lessee). The ijarah is partially secured by a deposit of Rs. 1.665 million (June 30, 2016 : Rs. 0.893 million) and demand promissory note. The company intend to exercise the option of purchasing the assets under the ijarah at residual value upon completion of ijarah term. The number of maximum / minimum monthly ijarah rentals payable are 32 and 4 respectively.

35 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The company has exposures to the following risks from its use of financial instruments.

- 35.1 Credit risk
- 35.2 Liquidity risk
- 35.3 Market risk

The board of directors has overall responsibility for the establishment and oversight of company's risk management framework. The board is also responsible for developing and monitoring the company's risk management policies.

35.1 Credit risk

35.1.1 Exposure to credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits, other receivables and cash and bank balances. Out of total financial assets of Rs. 779.354 million (June 30, 2016 : Rs. 911.619 million), financial assets which are subject to credit risk aggregate to Rs. 727.988 million (June 30, 2016 : Rs. 838.777 million). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows.

	2017 Rupees	2016 Rupees
Long term deposits	15,469,561	14,965,251
Trade debts	708,664,469	799,368,652
Trade Deposits	1,466,192	1,198,592
Other receivables	2,387,324	23,244,061
Cash and bank balances	51,366,744	72,842,482
	779,354,290	911,619,038

35.1.2 The maximum exposure to credit risk for trade debts at the balance sheet date by geographical region is as follows:

	2017 Rupees	2016 Rupees
Domestic	657,480,105	683,855,001
Export	51,184,364	115,513,651
	708,664,469	799,368,652

The majority of export debtors of the company are situated in Bangladesh, China and Portugal.

35.1.3 The maximum exposure to credit risk for trade debts at the balance sheet date by type of customer is as follows:

	2017 Rupees	2016 Rupees
Yarn	672,531,564	753,293,552
Services	26,595,963	31,704,002
Waste	7,552,739	11,765,326
Others	1,984,203	2,605,772
	708,664,469	799,368,652

35.1.4 The aging of trade debtors at the balance sheet is as follows.

	Gross debtors	
	2017	2016
	Rupees	
Not past due	259,817,702	343,255,042
Past due 0 - 30 days	250,235,804	259,034,335
Past due 31 - 90 days	159,417,778	163,591,933
Past due 90 days - 1 year	39,193,185	33,487,342
More than one year	-	-
	708,664,469	799,368,652

35.1.5 Following are the credit ratings of banks within which balances are held and credit lines are available.

	Rating agency	Ratings		2017	2016
		Short term	Long term	Rupees	Rupees
Allied Bank Ltd.	PACRA	A1+	AA+	43,501,071	59,259,628
Bank Alfalah Limited	PACRA	A1+	AA+	135,764	114,446
Bank Al-Habib Ltd.	PACRA	A1+	AA+	226,654	603
Dubai Islamic Bank Pakistan Ltd.	JCR-VIS	A-1	AA-	105,791	85,974
Habib Bank Ltd.	JCR-VIS	A-1+	AAA	2,299	849
Habib Metropolitan Bank Ltd.	PACRA	A1+	AA+	5,876,874	12,049,444
MCB Bank Ltd.	PACRA	A1+	AAA	967,283	1,003,523
Meezan Bank Ltd.	JCR-VIS	A-1+	AA	223,843	305,444
National Bank of Pakistan	PACRA	A1+	AAA	22,961	-
Standard Chartered Bank (Pakistan) Ltd.	PACRA	A1+	AAA	304,204	787
The Bank of Punjab	PACRA	A1+	AA	-	21,784
				51,366,744	72,842,482

35.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	2017					
	Carrying Amount	Contractual Cash flows	upto one year	one to two years	two to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term financing	1,276,845,831	1,414,943,426	469,698,585	213,860,250	346,597,550	384,787,041
Trade and other payables	2,340,784,674	2,340,784,674	2,340,784,674	-	-	-
Accrued mark up and interest	67,921,760	67,921,760	67,921,760	-	-	-
Short term borrowings	1,807,128,919	1,922,785,170	1,922,785,170	-	-	-
	5,492,681,184	5,746,435,030	4,801,190,189	213,860,250	346,597,550	384,787,041
	2016					
	Carrying Amount	Contractual Cash flows	upto one year	one to two years	two to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term financing	1,188,639,459	1,308,043,530	500,130,270	419,336,699	272,308,918	116,267,643
Trade and other payables	1,566,401,458	1,566,401,458	1,566,401,458	-	-	-
Accrued mark up and interest	36,664,423	36,664,423	36,664,423	-	-	-
Short term borrowings	942,851,796	1,008,191,425	1,008,191,425	-	-	-
	3,734,557,136	3,919,300,836	3,111,387,576	419,336,699	272,308,918	116,267,643

35.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30. The rates of mark up have been disclosed in relevant notes to these financial statements.

35.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The company is exposed to currency risk and interest rate risk only.

35.3.1 Currency risk

Exposure to currency risk

The company is exposed to currency risk on trade debts, borrowing and import of raw material and stores that are denominated in a currency other than the respective functional currency of the company, primarily in US Dollar and Euro. The currencies in which these transactions primarily are denominated is US Dollar and Euro. The company's exposure to foreign currency risk is as follows:

	US Dollar	Rupees
Trade debts 2017	488,400	51,184,364
Cash with banks	2,140	224,273
Trade debts 2016	1,105,394	115,513,651
Cash with banks	2,963	305,867

The following significant exchange rates applied during the year.

	Average Rates		Reporting Date Rates	
	2017	2016	2017	2016
US Dollar to Rupee	104.65	102.9	104.80	104.50

Sensitivity analysis

5% strengthening of Pak Rupee against the following currencies at June 30, would have increased / (decreased) equity and income statement by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. 5% weakening of Pak Rupee against the above currencies at periods ends would have had the equal but opposites effect on the above currencies to the amount shown below, on the basis that all other variables remain constant.

	2017 Rupees	2016 Rupees
US Dollar	(51,184,363)	(13,321,537)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the company.

35.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arises from short and long term borrowings from bank and term deposits and deposits in PLS saving accounts with banks. At reporting date the interest rate profile of the company's interest bearing financial instrument is as follows:

	2017 Rupees	2016 Rupees
Fixed rate instruments		
Financial Liabilities	726,750,800	214,050,000
Variable rate instruments		
Financial assets	31,689	30,505
Financial liabilities	4,229,850,322	3,142,515,768

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through income statement. Therefore, a change in interest rates at reporting date would not affect income statement.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for June 30, 2016:

	Profit & Loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	Rupees			
Cash flow sensitivity - variable rate instruments 2017	(42,298,503)	42,298,503	-	-
Cash flow sensitivity - variable rate instruments 2016	(31,425,158)	31,425,158	-	-

35.4 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

	2017 Rupees	2016 Rupees
35.5 Off balance sheet items		
Bills discounted with recourse	342,973,080	348,056,121
Bank guarantees issued in ordinary course of business	224,562,620	204,591,764
Letters of credit for capital expenditure	137,679,555	273,073,141
Letters of credit for raw material	5,656,896	111,796,408
Letters of credit for stores and spares	14,845,149	37,201,957

35.6 The effective rate of interest / mark up for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

	2017	2016
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36 CAPITAL RISK MANAGEMENT

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total Borrowings divided by total capital employed. Borrowings represent long term financing and other short term borrowing. Total capital employed includes total equity as shown in the balance sheet plus borrowing.

		2017	2016
Borrowings	Rupees	3,083,974,750	2,131,491,255
Total equity	Rupees	1,657,968,459	1,747,688,133
Total capital employed	Rupees	4,741,943,209	3,879,179,388
Gearing ratio	Percentage	65.04	54.95

37 PLANT CAPACITY AND PRODUCTION

It is difficult to describe precisely the production capacity in textile industry since it fluctuates widely depending on various factors such as count of yarn spun, raw material used, spindle speed and twist. It would also vary according to the pattern of production adopted in a particular year.

	2017	2016
Total number of spindles installed	93,936	81,936
Total number of spindles worked	87,025	79,991
Number of shifts per day	3	3
Installed capacity converted into 20/1 count (Kgs.)	31,702,000	27,709,884
Actual production converted into 20/1 count (Kgs.)	26,849,418	24,619,866

37.1 Actual production is lower than capacity due to the manufacturing of specialized Mélange yarn and periodic repair and maintenance.

38 MEASUREMENT OF FAIR VALUES

A number of the company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quote prices included in Level 1 that are observables for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurements is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

39 SEGMENT REPORTING

The financial statements are prepared on the basis of a single reportable segment.

39.1 The company's gross revenue from external customers by geographical location is detailed below:

	2017 Rupees	2016 Rupees
Domestic sales	5,532,629,053	5,319,515,106
Export sales	2,009,261,870	2,396,423,060
	7,541,890,923	7,715,938,166

The majority of exports of the company are made in Bangladesh, China and Portugal.

39.2 All non-current assets of the company as at June 30, 2017 are located in Pakistan.

39.3 There is no customer to whom 10% or more sales are made hence not disclosed in these financial statements.

40 Transactions with related parties

		2017 Rupees	2016 Rupees
Transactions with related parties			
MCB Bank Limited	Relationship		
	Associated company		
Deposits		30,813	14,427
Withdrawals		44,734	258,673
Din Farm Products (Pvt.) Ltd.	Relationship		
	Associated company		
Reimbursement of expenses		-	480,949
Din Leather (Pvt.) Ltd.	Relationship		
	Associated company		
Reimbursement of expenses		1,660,474	1,429,147
Din Industries Ltd.	Relationship		
	Associated company		
Reimbursement of expenses		320,608	535,264
Sale of fixed asset		-	467,495
Salaries and other short term employee benefits	Key management personnel	126,306,008	112,146,447
Staff retirement benefits	Key management personnel	7,503,973	5,372,879
Balances Outstanding at the year end			
MCB Bank Limited	Relationship		
	Associated company	967,282	981,203
Din Farm Products (Pvt.) Ltd.	Relationship		
	Associated company	-	79,237
Din Leather (Pvt.) Ltd.	Relationship		
	Associated company	165,057	231,420
Din Industries Ltd.	Relationship		
	Associated company	-	264,635

The company has related party relationship with its associated undertakings, its directors and executives officers. Transactions with related parties essentially entail sale and purchase of goods and / or services from the aforementioned concerns. All transactions are carried out on commercial basis.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The company considers all members of their management team, including the chief executive officer and directors to be its key management personnel.

There are no transactions with key management personnel other than under their terms of employments / entitlements. Balance outstanding from related parties are unsecured and repayable on demand or as contracted. Amounts due to related parties are shown in the relevant notes to the financial statements. Loans and advances to executives, balances in current accounts and remuneration of directors and executives are disclosed in respective notes.

41 INFORMATION FOR ALL SHARES ISLAMIC INDEX SCREENING

41.1	Description	Note	2017		2016	
			Carried under		Carried under	
			Non-Shariah arrangements	Shariah arrangements	Non-Shariah arrangements	Shariah arrangements
Assets						
Loans and advances						
	Advance to employees against wages	11	-	7,760,406	-	8,262,379
	Advance to employees against expenses	11	-	1,436,592	-	1,841,143
	Advances to supplier	11	-	26,715,210	-	39,248,445
	Others	11	-	3,768,521	-	6,979,818
	Advance against letter of credit	11	-	1,438,172	-	1,268,497
Other advance						
	Receivable from associated companies	13.3	-	-	-	343,872
Deposits						
	Long term deposits	6	-	15,469,561	-	14,965,251
	Trade deposits	12	-	1,466,192	-	1,198,592
	Bank balances	15	31,689	51,335,055	30,505	72,811,977
Liabilities						
Loan and advances						
	Long term financing	19	726,750,800	550,095,031	214,050,000	974,589,459
	Short term borrowings - Secured	18	1,523,289,916	283,839,003	933,805,831	9,045,965
	Murahaba	16.1	-	1,872,626,372	-	1,225,074,513
	Advances from customers	16	-	29,194,440	-	28,524,826
	Payable to associated companies	16.6	-	165,057	-	231,420
Deposits						
	Deposits	16	-	3,808,607	-	3,808,607
Income						
	Profit on savings account	30	3,553	-	7,116	-
			Note	2017 Rupees	2016 Rupees	

41.2 Sources of other income

	Profit on savings account	30	3,553	7,116
	Gain on disposal of property, plant and equipment	30	1,787,677	-

41.3 Exchange gain / (loss)

	(Loss) / gain on translation of foreign currency account	24.1 & 28	(1,574,007)	10,411,730
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41.4 Relationship with banks

Name	Relationship	
	Non Islamic window operation	With Islamic window operation
Allied Bank Ltd	✓	✓
Bank Al-Habib Ltd	x	✓
Bank Al Falah	✓	✓
Dubai Islamic Bank Pakistan Ltd	x	✓
Faysal Bank Ltd	✓	x
Habib Metropolitan Bank Ltd.	x	✓
Habib Bank Ltd	✓	x
MCB Bank Ltd	✓	x
Meezan Bank Ltd.	x	✓
National Bank Of Pakistan	✓	x
Standard Chartered Bank (Pakistan) Ltd	✓	x

42 **NUMBER OF EMPLOYEES**

	2017 Rupees	2016 Rupees
Total number of employees as at year end	2,518	2,677
Average number of employees during the year	2,598	2,701

43 **CORRESPONDING FIGURES**

Comparative information has been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison. However, following major reclassification have been made in these financial statements.

Note	Reclassification		Nature	Rupees
	From	To		
30	Other Income	Other operating expense	Better presentation	40,061

44 **DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on 3 October 2017 by the board of directors of the company.

SHAIKH MOHAMMAD MUNEEB
Chairman

SHAIKH MUHAMMAD TANVEER
Chief Executive

SHAUKAT HUSSAIN
Chief Financial Officer

محاسب

30 جون 2017 کو ختم ہونے والی مالی سال کے لئے کمپنی کا قانونی آڈٹ مکمل ہو چکا ہے اور آڈیٹر نے کمپنی کے مالی حسابات پر اپنی آڈٹ رپورٹ اور کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان جاری کیا ہے۔ محاسب نوید ظفر اشفاق جفری ایڈ کمپنی، چارٹرڈ اکاؤنٹنٹس سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور انہوں نے بطور آڈیٹر رہنے کی خواہش ظاہر کی ہے۔ انہوں نے انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس پاکستان (آئی سی اے پی) اور اسکی منظور کردہ انٹرنیشنل فیڈریشن آف انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (آئی ایف اے سی) کے ضابطہ اخلاق پر گائیڈ لائن کی تعمیل کے ذریعے توثیق شدہ تسلی بخش ریٹنگ حاصل کی ہے۔ بورڈ نے 30 جون 2017 کو ختم ہونے والے مالی سال کے لئے بطور آڈیٹر ان کی دوبارہ تقرری کی تجویز دی ہے کہ کوڈ آف کارپوریٹ گورننس کے مطابق ذمہ دار پارٹنر کو دوبارہ موقع دیا جائے گا۔

حصص داری

30 جون 2017 کو نمونہ حصص داری معہ کوڈ آف کارپوریٹ گورننس کے تحت درکار کمشنات منسلک ہیں۔ کمپنی کے حصص میں اس کے ڈائریکٹرز، ای او، ایف او، کمپنی سیکرٹری اور ان کے ازواج اور نابالغ بچوں کی طرف سے کوئی تجارت نہیں کی گئی۔

اظہار تشکر

بورڈ آف ڈائریکٹرز ہمیشہ انتظامیہ کی رہنمائی اور مدد کا ذریعہ ہے اور پیش آنے والے چیلنجوں سے واقف ہیں اور آپ کی کمپنی کے لئے یقینی ترقی، منافع پیدا کرنے اور اپنی کمپنی کے لئے قدر پیدا کرنے کا پختہ ارادہ رکھتا ہے اور ہم یقین رکھتے ہیں کہ وہ آئندہ سالوں میں اسی لگن کو جاری رکھیں گے۔ ہم خوشی سے اس بات کو تسلیم کرتے ہیں کہ ملازمین کے ساتھ تعلقات پورے سال میں ہموار اور ہم آہنگ رہے۔ انتظامیہ کمپنی کی ترقی اور خوشحالی کے لئے تمام ملازمین کی مسلسل لگن، عزم اور سخت کوشش اور دل سے تعریف کرتی ہے، جن کے بغیر یہ کارکردگی ممکن نہیں سکتی تھی۔

آخر پر بورڈ آف ڈائریکٹرز مشکل حالت میں تمام برکتوں کے لئے اللہ تعالیٰ کا شکر ادا کرتا ہے اور کمپنی میں ان کی مسلسل حمایت کے لئے تمام بینکوں، گاہکوں، ڈیلرز اور اسٹیک ہولڈرز کا بھی شکر گزار ہے۔

فرہاد شیخ محمد
(ڈائریکٹر)

شیخ محمد تنویر
(چیف ایگزیکٹو)

کراچی
تاریخ ۳ اکتوبر ۲۰۱۷

کا انکشاف رپورٹ میں کیا گیا۔

اخلاقیات اور کاروباری طریقوں کا بیان۔

بورڈ نے اخلاقیات اور کاروباری طریقوں کا بیان تیار اور تقسیم کیا جس پر کمپنی سے کسی بھی سلسلے میں منسلک ہر ایک ڈائریکٹر اور کمپنی کے ملازم نے دستخط اور ضابطہ کے معیارات کو سمجھنے کا پیشگی اعتراف کیا گیا ہے۔

کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان

30 جون 2017 کو ختم ہونے والے سال کے لئے متعلقہ مندرجہ قوانین میں پاکستان اسٹاک ایکسچینج کی طرف سے قائم کردہ کوڈ آف کارپوریٹ گورننس کی ضروریات پر عمل کیا گیا ہے۔ اس اثر کا ایک بیان رپورٹ کے ساتھ منسلک ہے۔

ویب پر موجودگی

کمپنی کی تمام سہ ماہیوں کے مالی گوشوارے بشمول سالانہ رپورٹ سرمایہ کاروں اور حصص داران کی معلومات کیلئے کمپنی کی ویب سائٹ www.dingroup.com پر دستیاب ہیں۔

بورڈ کی تشخیص

کوڈ آف کارپوریٹ گورننس 2012 کے مطابق، بورڈ نے بورڈ کی کارکردگی کی سالانہ تشخیص کے لئے ایک میکانزم اختیار کیا ہے۔ بورڈ کی کارکردگی کا اندازہ بنیادی طور پر ایک تشخیص ہے کہ بورڈ نے مندرجہ ذیل پیرامیٹرز پر کیسے کارکردگی کا مظاہرہ کیا ہے:

- ✦ بورڈ کی تشکیل اور معیار
- ✦ بورڈ کے افعال
- ✦ کمپنی کی مالی کارکردگی
- ✦ قانونی ذمہ داریاں
- ✦ کارپوریٹ گورننس
- ✦ خطرے کے انتظامات
- ✦ انسانی وسائل کے انتظامات
- ✦ تحقیق اور ترقی
- ✦ کاروبار کی توسیع

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز دو ایگزیکٹو ڈائریکٹر اور پانچ نان ایگزیکٹو ڈائریکٹر پر مشتمل ہے ان میں سے ایک آزاد ڈائریکٹر ہے۔ بورڈ آف ڈائریکٹرز کے موجودہ رکن کمپنی کی معلومات میں مندرج ہیں۔

بورڈ کے ارکان کی حاضری مندرجہ ذیل ہے:

نام ڈائریکٹر	عہدہ	حاضری کی تعداد
شیخ محمد منیر	(نان ایگزیکٹو ڈائریکٹر)	3
شیخ محمد پرویز	(نان ایگزیکٹو ڈائریکٹر)	4
شیخ محمد تنویر	(ایگزیکٹو ڈائریکٹر)	4
شیخ محمد نوید	(ایگزیکٹو ڈائریکٹر)	4
جناب نواز جاوید	(نان ایگزیکٹو ڈائریکٹر)	5
جناب فریاد شیخ محمد	(نان ایگزیکٹو ڈائریکٹر)	5
جناب عبدالرازق	(آزاد/نان ایگزیکٹو ڈائریکٹر)	5

ارکان جو اجلاس میں شرکت نہیں کر سکے کو عدم شرکت کی چھٹی دی گئی۔

داخلی کنٹرول اور آڈٹ

دین ٹیکسٹائل میں ایک آزاد داخلی آڈٹ فنکشن ہے۔ اندرونی آڈٹ فنکشن کمپنی کے کارپوریٹ گورننس سٹرکچر کا لازمی اور موثر حصہ ہے جو انتظامیہ کو کافی یقین دہانی کراتا ہے کہ اندرونی کنٹرول اور چیک اور توازن نظام مناسب طریقے سے کام کر رہا ہے، بہتر اور لاگت موثر کنٹرول کے اطلاق کے لئے مواقع کی شناخت، موجودہ نظام اور عمل اور متبادل طریقہ کار میں خامیوں اور کنٹرول سسٹم کو مضبوط بنانے کے لئے ضروری اصلاحاتی اقدامات کی ضرورت ہے۔

آڈٹ کمیٹی نے بورڈ کو پیش اور ان کی اشاعت سے پہلے، سہ ماہی، ششماہی اور سالانہ حسابات کا جائزہ لیا، سی ایف او، اندرونی آڈٹ کے سربراہ اور بیرونی آڈیٹروں کے نمائندہ نے اجلاس میں شرکت کی جہاں اکاؤنٹس اور آڈٹ سے متعلق معاملات پر تبادلہ خیال کیا گیا۔ آڈٹ کمیٹی نے داخلی آڈٹ کے نتائج کا بھی جائزہ لیا اور کارپوریٹ گورننس کے ضابطہ کے تحت درکار اندرونی آڈٹ اور بیرونی آڈٹ کے ساتھ الگ الگ اجلاس منعقد کیا۔ آڈٹ کمیٹی نے بیرونی آڈٹ کے ساتھ ان کے خط منجمنٹ پر بھی تبادلہ خیال کیا۔ متعلقہ پارٹیوں کے ساتھ لین دین کو بورڈ کے منظوری سے قبل آڈٹ کمیٹی کے سامنے بھی رکھا گیا تھا۔

ترہیتی کورس

کمپنی کی انتظامیہ نے موجودہ بہترین کاروباری طریقوں سے واقفیت حاصل کرنے کے لئے پروفیشنل انتظامی ٹرینرز کے ذریعے ان ہاؤس انتظامی ترہیتی پروگرام منعقد کرنے کا فیصلہ کیا ہے۔ ٹریننگ کا اہم شعبہ ٹائم منجمنٹ، دستیاب وسائل کا بہترین استعمال، پیداوار وسائل کے زیادہ سے زیادہ استعمال اور بریک ڈاؤن وقت کو کم از کم کرنا ہے۔

بعد از بیلنس شیڈ واقعات

کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی تبدیلیاں یا وعدے نہیں کئے گئے جو کمپنی کے مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے دوران وقوع پذیر ہوئے سوائے جن

طریقوں کی پرویز پر عمل کرتی ہے۔ کمپنی کاروباری سرگرمیوں کی انجام دہی کے لئے پاکستان اسٹاک ایکسچینج کے مندرج قواعد کی پاسداری کو برقرار رکھتی ہے، جس میں واضح طور پر بورڈ آف ڈائریکٹرز اور انتظامیہ کے قواعد و ضوابط کی وضاحت کی گئی ہے۔ وژن اور مشن بیان، بنیادی اقدار، اور طرز عمل کو بورڈ کی طرف سے تیار اور منظور کیا گیا ہے۔ کوڈ آف کارپوریٹ گورننس کے تحت ضروری پالیسیوں کو تیار کیا گیا ہے اور بورڈ کے زیر جائزہ ہیں۔

سال کے دوران بورڈ فعال طور پر اپنے فرائض کو انجام دینے میں مصروف رہا، بشمول جن کی حصص داران کے منافع کو محفوظ بنانے، کمپنی کے منافع کو بڑھانے، حصص دار کی دولت میں اضافہ اور مارکیٹ کے اعتماد کو فروغ دینے کے مجموعی مقصد کے ساتھ مختلف قوانین اور میمورنڈم اینڈ آرٹیکل آف ایسوسی ایشن آف کمپنی کے تحت ادا کرنے کی ضرورت ہوتی ہے۔

ڈائریکٹرز بخوشی بیان کرتے ہیں کہ:-

کوڈ آف کارپوریٹ گورننس کے تحت انکشافات

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

- a- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر کمپنیز آرڈیننس 1984 کے مطابق ظاہر کیا گیا ہے۔
- b- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- c- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- d- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے، اور کسی بھی انحراف کا موزوں انکشاف اور وضاحت کی گئی ہے
- e- داخلی کنٹرول کا اندرونی آڈٹ اور اس طرح کے دیگر طریقہ کار کے ذریعے مسلسل جائزہ لیا جا رہا ہے۔ جائزہ اور نگرانی کا عمل اس کو مزید بہتر بنانا جاری رکھے گا۔
- f- کمپنی کے گونگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- g- فہرستی قوانین میں تفصیلی، کارپوریٹ گورننس کے بہترین عملوں سے کوئی مادی انحراف نہیں کیا گیا ہے۔
- h- گزشتہ چھ سال کا کلیدی آپرینٹنگ اور مالیاتی ڈیٹا منسلک ہے۔
- i- ٹیکس، ڈیویڈنڈ، لیویز اور چارجز کی مد میں کوئی قانونی ادائیگی واجب الادا نہیں ہے جو بقایا ہوں، سوائے ان کے جن کا مالی حسابات میں انکشاف کیا گیا ہے؛
- j- اہم فیصلوں اور مستقبل کے امکانات کی وضاحت چیئرمین کے جائزہ میں کی گئی ہے۔

مادی تبدیلیاں

30 جون 2017 تک کوئی مادی تبدیلیاں وقوع پذیر نہیں ہوئی ہیں سوائے جن کا ذکر 30 جون 2017 مختتمہ سال کے لئے کمپنی کے نظر ثانی شدہ مالی گوشواروں میں کیا گیا ہے۔

تجربے، سبز حجم، مالی پوزیشن پر غور، پچھلے ٹریک ریکارڈ اور وصولیوں، خاص طور پر ٹیکسٹائل سیکٹر اور عام طور پر صنعت کے اقتصادی حالات کی بنیاد پر کریڈٹ کی حدیں مقرر کر کے اپنے صارفین کو محفوظ کیا جاتا ہے۔ کمپنی کا خیال ہے کہ مشکوک قرضوں کے حصول سے گریز کیا جائے۔

لیکویڈیٹی کا خطرہ

متوقع لیکویڈیٹی رسک مینجمنٹ معاہدے سے متعلق وعدوں کی ضروریات کو پورا کرنے کے لئے کافی فنڈ کی دستیابی کو یقینی بناتی ہے۔ کمپنی کی فنڈ مینجمنٹ حکمت عملی کا مقصد داخلی نقد پیداوار اور مالیاتی اداروں کے ساتھ طے شدہ کریڈٹ لائنز کے ذریعے لیکویڈیٹی خطرہ کو کم سے کم کرنا ہے۔

سود کی شرح کا خطرہ

متوقع لیکویڈیٹی رسک مینجمنٹ معاہدے سے متعلق وعدوں کی ضروریات کو پورا کرنے کے لئے کافی فنڈ کی دستیابی کو یقینی بناتی ہے۔ کمپنی کی فنڈ مینجمنٹ حکمت عملی کا مقصد داخلی نقد پیداوار اور مالیاتی اداروں کے ساتھ طے شدہ کریڈٹ لائنز کے ذریعے لیکویڈیٹی خطرہ کو کم سے کم کرنا ہے۔

غیر ملکی زر مبادلہ کا خطرہ

غیر ملکی کرنسی کا خطرہ بنیادی طور پر وصولیوں اور ادائیگیوں کا غیر ملکی کرنسیوں میں لین دین کی وجہ سے پیدا ہوتا ہے۔ کمپنی بنیادی طور پر خام مال اور پلانٹ اور مشینری کی درآمد پر منحصر مدتی USD / PKR پر قابو پاتی ہے۔

پیداواری سہولیات

ہماری پیداواری سہولیات کی کارکردگی پیداوار کی بے مثال سطحوں کے ساتھ بہترین تھی۔ ہماری ٹیم ہم آہنگی کوششوں سے ضائع کو ختم کرنے اور متعدد مواقع پر بندش سے بچنے کے ذریعے صلاحیتوں کو بہتر بنانا جاری رکھتی ہے۔ کمپنی پائیدار منافع اور ملک کی قادی ٹیکسٹائل مینوفیکچرنگ کی اپنی حیثیت کو برقرار رکھنے کے لئے زیادہ سے زیادہ صلاحیت کے استعمال پر توجہ مرکوز رکھنے کا پختہ ارادہ رکھتی ہے۔

متعلقہ پارٹیاں

بورڈ آف ڈائریکٹرز نے کمپنی اور اس کی متعلقہ پارٹیوں کے درمیان لین دین / معاہدہ کے لئے قابل رسائی بنیاد پر پالیسی منظور کی ہے اور متعلقہ ذرخوں کو نسبتاً بے قابو قیمت کے طریقوں کے مطابق مقرر کیا ہے۔ کمپنی پاکستان اسٹاک ایکسچینج کے مندرجہ قواعد میں شامل منقلی قیمت کے بہترین طریقوں پر مکمل عمل کیا ہے۔

کارپوریٹ گورننس

کمپنی کاروباری سالمیت کو یقینی بنانے اور تمام اسٹیک ہولڈرز کے اعتماد کو برقرار رکھنے کے لئے کارپوریٹ گورننس کے معیارات پر عمل کرتی ہے۔ بورڈ آف ڈائریکٹرز اچھے کارپوریٹ گورننس کے لئے شیئر ہولڈرز کو جواب دہ ہیں۔ کمپنی کی انتظامیہ خاص طور پر ایگزیکٹو ڈائریکٹری کی آزادی کے حوالے سے کارپوریٹ گورننس کے کوڈ میں متعین بہترین

اکاؤنٹنگ نتائج کی اہم خصوصیات

زیرجائزہ سال کی آمدنی کا گزشتہ سال سے موازنہ حسب ذیل کے مطابق کیا جاسکتا ہے:

30 جون تختہ سال 2016 روپے '000'	30 جون تختہ سال 2017 روپے '000'	
7,602,604	7,421,792	فروخت
(6,942,947)	(6,944,651)	قیمت فروخت
659,657	477,141	مجموعی منافع
(51,773)	(53,948)	تقسیم کے اخراجات
(130,770)	(138,734)	انتظامی اخراجات
(16,487)	(2,750)	دیگر آپریٹنگ اخراجات
(259,505)	(282,011)	مالی لاگت
(458,535)	(477,444)	
7	1,791	دیگر آپریٹنگ آمدنی
201,128	1,488	ٹیکس سے پہلے منافع

مالی انتظامات

نقد رقم کے انتظامات

سال کے دوران ورکنگ کیپٹل تبدیلیوں کے اثرات سے قبل کمپنی کی آپریٹنگ سرگرمیوں سے 607.417 ملین روپے کی رقم پیدا کی گئی، یہ بنیادی طور پر بالواسطہ اخراجات مثلاً کم از کم اجرتوں اور ایندھن اور بجلی کی قیمت میں مسلسل اضافہ کے باوجود موثر قیمت کنٹرول اقدامات کی وجہ سے ہے، (1,300.619) ملین روپے سٹورا اور سپائر پارٹس اور قرضوں اور پیشگیوں میں اضافہ کے ذریعے ورکنگ کیپٹل میں استعمال کئے گئے۔ کمپنی کے پاس موثر نقد رقم کے بہاؤ کا مینجمنٹ سسٹم ہے جس میں نقد رقم کی جہاں ضرورت ہو باقاعدہ بنیاد پر پیش اور سخت نگرانی کی جاتی ہے۔ ورکنگ کیپٹل کی ضروریات داخلی نقد پیداوار جہاں ضرورت ہو خارجی ذرائع سے مختصر مدتی قرضوں کی ضروریات پوری کرنے کی منصوبہ بندی کی گئی ہے۔ بورڈ مطمئن ہے کہ 30 جون 2017 کو موجودہ تناسب 0.94:1.00 کے ساتھ کریڈٹ اور پائیدار بیلنس شیڈ تک رسائی سمیت کوئی مختصر یا طویل مدتی مالی رکاوٹیں نہیں ہیں۔

خطرے کی تخفیف

چلتے کاروبار میں انفرادی خطرات اور غیر یقینی صورتحال براہ راست کاروبار کی کامیابی کو متاثر کرتی ہے۔ دین ٹیکسٹائل ملز لمیٹڈ کی انتظامیہ نے مکمل خطرات کی نشاندہی کی ہے۔ مستقبل کو مد نظر رکھنے کی ہماری پالیسی کے ایک حصہ کے طور پر اہم خطرات کی نشاندہی کی گئی ہے جو ہمارے کاروبار پر اثر انداز ہو سکتے ہیں۔ یہ عمل خطرے کے عناصر کو کم سے کم کرنے کی حکمت عملی پر توجہ مرکوز کرنے میں انتظامیہ کی مدد کرتا ہے۔

قرض کا خطرہ

کمپنی کے تمام مالی اثاثہ زیر دست نقد رقم کے علاوہ کریڈٹ کے خطرے کے تابع ہیں۔ کمپنی کا خیال ہے کہ یہ کریڈٹ رسک کی اہم حدود سے متعلق نہیں ہے۔ اس خطرہ سے گزشتہ

مجلس نظماء کی رپورٹ

محترم حصص یافتگان

مجلس نظماء 30 جون 2017ء کو ختمہ سال کے لئے کمپنی کے نظر ثانی شدہ مالی حسابات بمعہ سالانہ رپورٹ 2017 پیش کرتے ہوئے خوشی محسوس کر رہی ہے

مالیاتی نتائج

30 جون ختمہ سال 2016 روپے '000'	30 جون ختمہ سال 2017 روپے '000'	
		منافع و نقصان تصرفات
1,051,305	1,123,471	غیر تصرفاتی منافع جو آگے لائے
72,166	(61,693)	سال کے لئے کل مجموعی (نقصان) / آمدنی
1,033,751	(28,027)	30 جون 2016 ختمہ سال کے لئے ڈیویڈنڈ بشرح 1.25 روپے فی شیئر
1,123,471	1,033,751	غیر تصرفاتی منافع جو آگے جائے گا
2.70	(2.82)	(نقصان) / آمدن فی شیئر

چیئرمین کا جائزہ

کمپنی کے ڈائریکٹرز چیئرمین کے جائزہ جو کاروبار اور آپریشنز، مستقبل کا نقطہ نظر اور سٹریٹجک ترقی کے لئے سرمایہ کاری کے منصوبوں کا احاطہ کرتا ہے، کے مندرجات کی تائید کرتے ہیں۔

آپریشنل کارکردگی

30 جون ختمہ سال

اضافہ / (کمی) فیصد	2016 روپے '000'	2017 روپے '000'	
(2.38)	7,602,604	7,421,792	کل فروخت
4.01	5,319,515	5,532,629	مقامی فروخت
(16.16)	2,396,423	2,009,262	برآمد فروخت
	(113,334)	(120,099)	کمیشن اور کلیم
(27.67)	659,657	477,141	مجموعی منافع

کارپوریہ سماجی ذمہ داری (سی ایس آر)

دین کی CSR* پلیسی کی اس کے اسٹیک ہولڈروں کی زہنگی کو مثبت طور پر چھونے کے لئے اہم ہونے کی وجہ سے حوصلہ افزائی کی جاتی ہے۔ دریں اثناء ہم کمیو > جہاں ہم رہتے ہیں کی مدد کرنے کو ہمہ وقت تیار رہتے ہیں اور مختلف سوشل اور سماجی سرگرمیوں کے ذریعے کام کرتے ہیں۔ اس سمت میں، ہماری مرکز توجہ کے اہم شعبوں میں صحت کی دیکھ بھال، تعلیم اور کھیل شامل ہیں۔ کوششہ 28 سالوں کے دوران دین کا فلسفہ اخلاقی اور ذمہ دارانہ طرے سے کاروبار* رہا ہے، جس ملک میں یہ کاروبار* رکتی ہے اس کی ترقی میں مدد* ہے۔ کمپنی سماجی اقدامات اٹھاتی ہے جس سے یہ خیال کیا جا* ہے کہ اس کی شرکا .. اس کمیو > کی زہنگی کو بہتر بنائے گی۔

دین کارپوریہ فلسفہ، توازن کی بچت، ماحولیاتی تحفظ کے اقدامات، سماجی سرمایہ کاری، صارفین کی حفاظت کے اقدامات، خصوصی افراد کو 5 زمت، صنعتی تعلقات، پیشہ ورانہ تحفظ اور صحت، کاروباری اخلاقیات، اینٹی کرپشن کے اقدامات اور قومی 9% اند میں حصہ یہ کے ذریعے فعال کارپوریہ شہری کا کردار ادا کرتی ہے۔

مستقبل کا نقطہ آ

آگے بڑھتے ہوئے، ٹیکسٹائل انڈسٹری کا مستقبل مشکلات کا شکار رہنے کا امکان ہے، *رن کی درآمد مارکیٹ حصہ 8 سخت کوشش ہوگی۔ آنے والے سال میں مضبوط کارکردگی کو فروغ دینے میں مثبت سماجی اور اقتصادی عناصر اہم کردار ادا کریں گے۔ مختلف چیلنجوں کے * وجود انتظامیہ کو یقین ہے کہ کمپنی اپنے مارکیٹ شیئر کو برقرار رکھے گی۔ کمپنی ٹیکسٹائل سیکٹر میں 8 سے زیادہ . اور مسابقتی ہونے کا عزم رکھتا ہے۔

تیل کی کم قیمتوں کا فائدہ، ٹیکسٹائل سیکٹر کو ایل این جی کی مسلسل فراہمی اور کپاس کی مستحکم قیمتوں سے اس شعبے میں کوئی فائدہ نہیں ملے گا / بھارت اور چین سے *رن کی درآمدات کی سنجیدگی سے نگرانی نہ کی گئی تو *کستان کے D شعبے پر، اہم اثر پڑے گا۔

اظہار تشکر

میں اپنے تمام اسٹیک ہولڈرز بشمول قرض دہندگان بینکوں، گاہکوں اور ہمارے وفاداروں، محنت کشوں اور بورڈ آف ڈائریکٹرز اور کمپنی کی انتظامیہ کمپنی کی کارکردگی کو بہتر بنانے اور بہتر بنانے میں ان کی غیر منظم حمایت کا شکر گزار ہوں، جو دین ٹیکسٹائل کو ٹیکسٹائل انڈسٹری کی مارکیٹ لیڈر بناتی ہے۔

منجانب بورڈ آف ڈائریکٹرز

ایس ایم منیر

چیئرمین

تحقیق و ترقی

دین ٹیکنیکل مارکیٹ پر F اور اپنے گاہکوں کی ضرورت کو پورا کرنے کے لئے سرمایہ کاری کے لئے تیار رہنے کے نقطہ آہ یقین ر b ہے۔ زیر جاہ سال کے دوران . ± ٹیکنالوجی لانے کے لئے بی ایم آر میں ہماری مرکز توجہ اور مسلسل سرمایہ کاری سے ہماری کمپنی نے کیپٹل % اجات پر × 592.707 ملین روپے (2015-16) میں 293.942 ملین روپے % بچ کیے ہیں۔ کمپنی کی سرمایہ کاری پورٹ فولیو نے کمپنی کو مارکیٹ کی باہمی ضرورت کے مطابق مستحکم کیا ہے۔ ٹیم کی کامیابیوں پر زور اور ادبی کامیابیوں پر فخر کیا جا رہا ہے جس پر ہماری مجموعی کامیابی انحصار کرتی ہے۔

آر میٹن ٹیکنالوجی

ہم اپنے آئی ٹی ڈی اسٹرکچر کو اپ ڈیٹ کرنے اور ہانے کے طر ا پ عملدرآمد کرتے ہیں اور زیادہ سے زیادہ عمل کو خود کار بنانے کی طرف ہڑ رہے ہیں۔ اس کے علاوہ، ہم نے اپنے % صارفین کی روزانہ کی سرگرمیوں بہت قریب \$ سے مطالعہ کرنے اور اس سلسلے میں مختلف کاموں کو خود کار طر ج سے بنانے کے لئے مواقع تلاش کرنے پر توجہ مرکوز کی ہے، کاروباری صارفین کے ساتھ مذاکرات کے ای۔ سلسلہ کے ذریعے کاروباری عمل کا تجزیہ اور ERP سسٹم میں خامیوں کی رپورٹنگ میں بہت اہم کوششیں کی ہیں۔

صحت، حفاظت اور ماحول

ہم یقین ر p ہیں اور سمجھتے ہیں کہ ای۔ صحت مند، محفوظ اور معاون ماحول پیدا کرنے سے لوگوں اور تنظیم کو ترقی دینے میں مدد کر رہے ہیں۔ کمپنی حفاظت پر بہت زور دیتی ہے اور نہ صرف کمپنی کے ساتھ تمام ہیلتھ سروس سرگرمیوں بلکہ اس فرو # کاروں سے بھی تعلق ر b ہے۔ کمپنی نے صحت اور حفاظت سے متعلق مسائل پر 5 زمین کی آگاہی کو ہانے کے لئے صحت اور حفاظتی ماحول سے متعلق مختلف نیچے پروگرام منظم اور منعقد کئے ہیں۔ کمپنی اپنے 5 زمین کے لئے زخموں اور بیماری سے پاک کام کا سازگار ماحول ر b ہے۔ کمپنی 5 زمین کو زخموں اور بیماری سے متعلقہ کام سے بچنے کے قابل اور ذمہ دار بناتی ہے۔ کمپنی میں ایمر جنسی علاج فراہم کرنے کے لئے ایڈوانسڈ طبی امداد کی سہولت بھی ہے۔

HR مینجمنٹ اور 5 زمین کے تعلقات

ہم یقین ر p ہیں کہ یہ ہمارے لوگ ہی ہیں جنہوں نے ہمیں ہمارے حریفوں سے مختلف بنایا ہے۔ ہمارے لوگ ہمارا اہم اثاثہ ہیں اور اس لئے ہمیں اپنے لوگوں کو سیکس کے لئے ان کی ضرورت کی ہر چیز کو اہمیت دینی چاہئے۔ اس لئے ہم نئے زمانے میں B سے بہترین کو اپنی طرف متوجہ اور بہتری کو قرار پ کے لئے تیار رہیں گے، ہم ان کو مسابقتی کاروباری ماحول میں اعلیٰ کارکردگی کی ثقافت کو تخلیق اور قرار پ کے لئے . بی . تین معلومات اور مہارتوں کے ساتھ لیس کرتے ہیں۔ ڈیننگ جاری رکھنا ای۔ اہم عنصر ہے جو مسلسل . ت اور تبد ~ کے لئے تنظیمی صلاحیت A کی مدد اور تعمیر کر رہے ہیں۔ سخت تنظیم کی منصوبہ بندی کی پورے تنظیم میں موجودگی اس * ت کا یقین کرتی ہے کہ 5 زمین مسلسل ہر کردار ادا کرنے کے لئے تیار ہیں۔ ہم مسلسل ان لوگوں کی تلاش میں رہتے ہیں جو چیلنجوں کو قبول کرنے اور مستقبل کی قیادت کرنے کی صلاحیت A ر p ہیں۔ دین نے کارکردگی کی C دپ معاوضہ کی ثقافت کو کامیابی سے فروغ دیا ہے۔ اس * ت کا یقین کرنے کی کوشش کی جاتی ہے کہ 5 زمین * قاعدہ M.A. فٹہ ہیں اور کارکردگی کو بہتر بنانے کی اعلیٰ سطح کو یقینی بنانے کے لئے موزوں ہیں۔ دین کے تمام اجتماعی اور انتظامی عملے کو ایڈوانسڈ ٹیننگ حاصل کرنے، سو فٹ اور تکنیکی مہارتوں کے شعبے میں کورسز اور سیمینار میں حصہ لے کی اجازت دی جاتی ہے۔ ایڈوانسڈ ٹیننگ کورسز عملے کو علم حاصل کرنے اور اپنے پیشہ ورانہ شعبے میں اپنے آپ کو فروغ دینے کی سہولت فراہم کر رہے ہیں۔

فرو۔ # پہلے منافع مارجن کی کمی * رن مارکیٹ میں ڈی * و کی وجہ سے ہے اور کم سے کم %90 کی شرح میں اضافہ بھی منافع میں اہم کمی کے اسباب ہیں۔ کمپنی کاروبار کے تمام شعبوں میں بہترین مذاکرات کی مہارت کا استعمال کرتے ہوئے، قیمت شعور ثقافت کو فروغ دینے کیلئے کافی کوششیں اور حوصلہ افزائی کے اقدامات کئے ہیں، تقسیم کے % اجات، انتظامی % اجات میں فرو۔ # فیصد کے مقابلے * ترمیم % 0.05، 0.14 کا معمولی اضافہ ہوا۔ موجودہ سال میں یہ 0.73 فیصد اور 1.86 فیصد ہے جبکہ سال 2015-16 میں یہ * ترمیم % فرو۔ # کا % 0.68 اور % 1.72 تھا۔ آپ C کی توسیع، کم سے کم % کی شرح اور افراط زر اقتصادی حالات کے * وجود آپ کی کمپنی کی انتظامیہ ورکنگ کیپٹل مالی لا۔ کے بہترین طر h اور ذہین استعمال کی پیروی کرتی ہے۔ جس کے نتیجے میں گزشتہ سال کے مقابلے 0.38 فیصد - اضافہ ہوا، سال 2016-17 میں یہ فرو۔ # کا % 3.79 اور سال 2015-16 میں یہ فرو۔ # کا % 3.41 فیصد تھا۔ د V آپ ینگ لا۔ میں 0.17 فیصد کمی ورکرز، فٹنڈ اور ورکرز و بلٹنیئر فٹنڈ کے * (ہے)۔

ورکنگ کیپٹل میں تبدیلیوں کے بعد آپ C سے کمپنی کا موجودہ سال کا × بہاؤ، آمدنی ٹیکس کی ادائیگی، مالیاتی % اجات، ڈبلیو پی بی ایف اور عملے کے ریٹائرمنٹ کے فوائد (387.956) ملین روپے کا × آؤٹ فلو ظاہر کر رہے ہیں، جو C دی طور پر کپاس کے موسم کے آغاز سے قبل قیمتوں میں تبدیلیوں کے اعلیٰ اثر کو ختم کرنے کے لئے خام مال کی * لیسٹی کی تبد - کی وجہ سے ہے۔ مقامی مارکیٹ میں کم قیمت اور طلب کی وجہ سے تیار اشیاء کے اسٹاک میں اضافہ ہوا۔ انتظامیہ کا خیال ہے کہ اگلے موسم / ماکے لئے فیئر ک اور گارنٹنٹس کی پیداوار کی وجہ سے ستمبر کے شروع میں * رن کی قیمتیں بحال ہو N ہیں۔ آپ کی کمپنی نے اکی معیشت حاصل کرنے کے لئے مسلسل BMR * لیسٹی کو جاری رکھا اور p ہوئے موجودہ سال میں 592.706 ملین روپے اور سال 2015-16 میں 293.942 ملین روپے % چ کیے۔ سرمایہ کاری سر / میاں 586.002 ملین روپے اور خالص فنانس کی سر / میاں 88.206 ملین روپے کی ایڈجسٹمنٹ کے بعد، سال کے دوران کمپنی کا خالص × آؤٹ فلو 885.752 ملین روپے، سال کے اختتام پر × اور × کے مساوی گزشتہ سال کے مختصر مدتی قرض 942.851 ملین روپے کے مقابلے موجودہ سال میں 1,807.12 ملین روپے مختصر مدتی قرض کی رقم ظاہر کرتی ہے۔ سال 2016-17 کے لئے فراہم کردہ اپنا مالیاتی {ج کے مطابق، ہم اپنی مالیاتی کارکردگی کو فروغ دینے پر توجہ مرکوز کرنے کے لئے اپنی پوری کوششیں کر رہے ہیں جو ہمیں طویل عرصے - ترقی کو برقرار رکھنے اور مستقبل میں ہمارے اسٹیک ہولڈرز کے لئے صنعت کی آمدنی کو فروغ دینے میں معاون ہے۔

ڈیویڈنڈ

کمپنی کا فلسفہ تمام اسٹیک ہولڈرز کے ساتھ کامیابی کو اشتراک کرنے کے / دگھومتا ہے جنہوں نے اپنے قیمتی سرمایہ کے ساتھ ہمارے اپنا اعتماد کیا ہے۔ اس ضابطہ اخلاق کا طویل عرصہ چلنا، موجودہ سال کے مالیاتی {ج کو دیکھتے ہوئے نہ صرف کمپنی کو عام حالات سے نکلنے کے ذریعے برقرار رکھیں، بلکہ اس کو ترقی کی طرف بھی لے جائے گا، موجودہ مالی سال میں % اب اقتصادی حا - کے پیش آ، ہماری کمپنی کا × بہاؤ ڈیویڈنڈ ادا کرنے کی اجازت نہیں دیتا، اس لئے بورڈ آف ڈائریکٹرز نے افسوسناک طور پر اس سال میں کسی قسم کے ڈیویڈنڈ کو ختم کرنے کا فیصلہ کیا، جبکہ پچھلے سال 2015-16 میں کمپنی نے 1.25 روپے فی حصص یعنی 12.5 فی صد کی شرح سے -/28,027,110 روپے حتمی ڈیویڈنڈ ادا کیا۔

قومی % انہ میں حصہ

دین ٹیکسٹائل ٹیکسٹسز اور ڈیویڈنڈ کی مد میں قومی % انہ میں حصہ شاملی کرتی ہے، زیر جاہ سال کے دوران آپ کی کمپنی نے مالی لا۔ کے طور پر 250.675 ملین روپے (2015-16 میں 262.599 ملین روپے) ادا کیے ہیں، ملک کے غیر ملکی ذخائر میں \$ 13.312 ملین امریکی ڈالر (2015-16 میں \$ 14.897 ملین) اور & آمدات کے طور پر، اور ٹیکس کی ادائیگی کی مد میں حکومت کو 151.004 ملین روپے (2015-16 میں 91.696 ملین روپے) ادا کئے ہیں۔

فیول اور گیس کی قیمتوں میں اضافہ کے باعث آپ کی کمپنی کا مجموعی منافع مارچن 2.24 فیصد تک کم ہو گیا (2017 : 6.45% ، 2016 : 8.67%)۔

آپریشنل جائزہ

کپاس سیزن 2016/2017 کے ہدف پر تین بار نظر ثانی کی گئی 11.27 ملین گانٹھوں سے شروع اور 10.54 ملین گانٹھوں پر حتمی کیا گیا اور سیزن کے اختتام پر ایکس جن کی بنیاد پر اصل کپاس 10.08 ملین گانٹھیں (155 کلوگرام) پیدا ہوئی۔ کپاس کی قلت کے باعث، انٹ کے اعلیٰ گریڈز کی طلب بڑھ گئی ہے۔

مقامی سطح پر 2016-17 کے دوران خام کپاس کی قیمتیں گزشتہ سال کی موازنہ میں زیادہ ہو گئیں۔ سال کے آغاز سے کپاس کی قیمتیں گزشتہ سال کی اسی مدت میں قیمتوں سے 45 فیصد زیادہ ہیں (اگست 2017 -/7082 روپے فی من، اگست 2016 -/4880 روپے فی من)۔ سال 2016-17 کے لئے کپاس کی مارکیٹ اوسط قیمت -/6912 روپے فی من جبکہ یہ گزشتہ سال 2015-16 میں -/5862 روپے فی من تھی۔ جو پورے سال میں 21.64 فیصد پر اور اوسط سے زیادہ ہیں۔

اعلیٰ مسابقتی یارن مارکیٹ میں معیشت کا سکیل حاصل کرنے کے لئے کمپنی کے تمام یونٹ میں نئی BMR اور بجلی کی عدم دستیابی کی وجہ سے ہماری کمپنی کی سالانہ پیداوار اور پیداواری اہداف حاصل نہیں ہوئے ہیں۔ ہماری کمپنی کی کمپنٹ ٹیم نے ہنگامی اور بحران کے حالات کے لئے حکمت عملی تیار کرنے کی ضرورت پر زور دیا ہے۔ دین ٹیکسٹائل ملز لمیٹڈ نے گزشتہ سال میں 24.619 ملین کلوگرام کے مقابلے موجودہ سال کے دوران 26.849 ملین کلوگرام یارن پیدا کیا، اس طرح سال کے دوران 88.84 فیصد کے مقابلے 78.38 فیصد اوسط صلاحیتی استعمال حاصل کیا۔ سال کے دوران 93,936 سپنڈلز میں سے 87,025 آپریشنل رہے جس نے گزشتہ سال میں نصب صلاحیت کے 97.62 فیصد استعمال کے حامل 81,936 سپنڈلز میں سے 79,991 ورکنگ سپنڈلز کے مقابلے نصب صلاحیت کے 92.64 استعمال کو کام میں لایا گیا۔

مالیاتی جائزہ

زیر جائزہ سال کے دوران، کاروبار کے دیگر اخراجات کے ساتھ ساتھ کپاس کی قیمتیں پورے سال تیز رہیں، آپ کی کمپنی کی انتظامیہ نئے سال کے آغاز میں اعلیٰ قیمتوں کے رجحان سے بچنے اور کمپنی کے منافع کو بڑھانے کے لئے خام کپاس کی خریداری اور اسٹاکنگ کی گہری نگرانی کی ہے، اس لئے موجودہ سال میں کوئی اونٹری نقصانات درج نہیں کئے گئے ہیں، مقامی مارکیٹ اور غیر ملکی مارکیٹوں میں یارن کی قیمتیں منافع میں معاون نہیں رہی ہیں، یارن کی مقامی طلب علاقائی ممالک بھارت اور چین سے سستے یارن کی بھاری درامدات کے باعث مندی کا رجحان رکھتی ہے۔ کمپنی خام کپاس کی قیمتوں میں بڑھتے رجحان کے باعث نقصانات سے بچنے کے نقطہ نظر کے ساتھ اپنی خام مال کی پالیسی کا احتیاط سے جائزہ لیتی ہے۔

سال 2016-17 کے لئے ہماری کمپنی کی مالیاتی کارکردگی غیر مسابقتی کاروباری ماحول کی وجہ سے کم کارکردگی ظاہر کرتی ہے کیونکہ فروخت آمدنی 7.421 بلین روپے (7.60: FY 2015-16 بلین روپے) تک کم ہو گئی اور قبل از ٹیکس منافع (PBT) 1.488 بلین روپے (2015-16 PBT: FY 2015-16 بلین روپے) غیر مسابقت کو مد نظر رکھتے ہوئے، ہم نے لاگت کو کم کرنے کے لئے خاص طور پر بڑھتے ہوئے ان پٹ اخراجات کے منفی اثرات کو دور کر کے اخراجات بچانے اور کنٹرول کرنے کے بنیادی اقدامات اٹھائے ہیں۔ دین ٹیکسٹائل اعلیٰ مالی نتائج کے ساتھ کم قیمت کی معیاری مصنوعات کی تبدیلی کے ذریعے اپنی پراڈکٹس کو بڑھانے کیلئے پُر عزم ہے۔ کہ ہم پیپل پلیٹ اور منافع میں یقین رکھتے ہیں۔ فروخت کی لاگت فروخت کے مقابلے 2.25 فیصد تک بڑھ گئی۔ یہ 6.944 بلین روپے ہے جو سال 2016-17 میں فروخت کی 93.57 فیصد ہے جبکہ سال 2015-16 میں یہ 6.942 بلین روپے (فروخت کی 91.32 فیصد) تھی۔ قیمت فروخت میں اضافہ بنیادی طور پر خام کپاس کی قیمتوں میں اضافہ کی وجہ سے ہے، خام مال کی کھپت 7.03 فیصد تک بڑھ گئی جو موجودہ سال میں فروخت کی 68.17 فیصد ہے، جبکہ سال 2015-16 میں یہ فروخت کی 61.14 فیصد تھی، فروخت کے مقابلے بجلی کی قیمت 1.65 فیصد تک بڑھ گئی جو موجودہ سال میں فروخت کی 10.95 فیصد ہے جبکہ یہ سال 2015-16 میں 9.30 فیصد تھی۔

چیمبر میں کا جائزہ

بطور چیمبر میں دین ٹیکسٹائل ملز لمیٹڈ، میں 30 جون 2017 کو ختم ہونے والے سال کے لئے 30 ویں سالانہ A* نی شدہ معائنہ پیمانہ کی رپورٹ پیش کرتے ہوئے خوش محسوس کر رہا ہے۔

اقتصادی ماحول

*پاکستان میں اقتصادی ترقی *ر [طور پر غیر مستحکم رہی، مسلسل ترقی کی راہ میں رکاوٹ اور ملک کے اقتصادی حالات کے *رے میں اقتصادی غیر یقینی صورتحال میں اضافہ ہوا ہے۔ *ر [اعداد و شمار کے مطابق معیشت 2016-17 کی بلند ترین سطح پر 5.28 فیصد - پہنچ گئی ہے، جو گزشتہ 10 سالوں میں 8 سے زیادہ ہے۔ عارضی طور پر مالیاتی *پالیسی کے نقطہ A سے ترقی کے %اجات میں اضافہ، شعبے کے کریڈٹ میں کافی اضافہ ہوا، اوسطاً، بڑے پیمانے پر مینوفیکچررز شعبے کی ترقی 5.06 تھی جس میں سے ٹیکسٹائل کے شعبے میں گزشتہ سال کے مقابلے میں 0.78% کم سے کم اضافہ ہوا ہے۔ جبکہ ٹیکسٹائل کی مشینری کی درآمد موجودہ ٹیکسٹائل *پالیسی کے تحت کم مارک اپ شرح قرضوں کی وجہ سے گزشتہ سال کے مقابلے میں 20.8 فیصد بڑھ گئی ہے۔

ٹیکسٹائل کے مستقبل کا نقطہ A

طویل مدتی بجلی، بحران آہستہ آہستہ ٹیکسٹائل شعبہ کے سامنے آئی ہے، اس کے نتیجے میں ٹیکسٹائل شعبے کو *ر *راپنے بیروں پر کھڑا ہونے کے لئے پائیداری کا سامنا کرنا پڑ رہا ہے، لیکن بجلی کے اعلیٰ %اجات اور حریفوں کے ساتھ ای - دہائی سے مسابقتی نقصان کا مطلب ہے کہ بحالی یقینی نہیں ہے۔ درآمدی سرمایہ کاری کے *ر (بجلی کی پیداوار سالوں سے *ر کے تحت تھی اور بجلی کی غیر متواتر فراہمی نے ملز کو بہت زیادہ نقصان پہنچایا ہے۔ جس کے نتیجے میں مینوفیکچررز اور خاص طور پر ٹیکسٹائل شعبے میں کمی ہوئی، جو ورکنگ *ر پولیشن کے %30 لوگوں کو روزگار فراہم کر رہا ہے۔

آگے بڑھتے ہوئے، ٹیکسٹائل، آمدات چین میں کم طلب اور یورپی یو 2 میں اقتصادی سست روی کے ساتھ طلب میں کمی، کم کر مسابقت اور علاقائی کرنسیوں میں تیزی سے کمی اور ایشیا کی کم قیمتوں کی وجہ سے بہت زیادہ *ر *ر کے تحت رہیں۔ ٹیکسٹائل ویلیو کے سلسلہ کی تقریباً %35 پیداواری صلاحیت %80 بند ہوگی جبکہ ممکنہ سرمایہ کاروں کو *ر کے اعلیٰ آراجات کے *ر (نئی سرمایہ کاری سے / کر رہے ہیں۔ *ر پاکستان میں صنعتی گیس کا ٹیرف %100 ہے جبکہ بجلی کا ٹیرف علاقائی حریفوں سے تقریباً %50 زیادہ ہے۔ عالمی مارکیٹ میں *ر پاکستانی ٹیکسٹائل کا حصہ %2.2 سے %1.7 - کم ہو گیا اور بے روزگاری %30 - بڑھ گئی۔

مارکیٹنگ کی سرامیاں

غیر مسابقتی کاروبار *ر ماحول اور کاروبار کے اعلیٰ %اجات کی وجہ سے *ر پاکستان کے D شعبے نے منفی ترقی ظاہر کی۔ کاٹن *ر کی، درآمد گزشتہ سال 1,176,999 ملین ڈالر موجودہ سال کے دوران 1,134,191 ملین ڈالر - / نے سے 3.64 فیصد - کم ہو گئی۔ *ر کی، آمدات (کاٹن *ر کے علاوہ) 30,648 ملین ڈالر سے 22,274 ملین ڈالر - / نے سے 27.32 فیصد - کم ہو گئی۔








زیر جائزہ کے دوران، *ر کی طلب کم ہے جس نے مارکیٹ حالات میں *ر *ر پیدا کیا ہے جو یہ دی طور پر، بھارت اور چین سے *ر کی قیمت درآمد کی وجہ سے ہے اور قدر کے لحاظ سے کمپنی کی مجموعی فروز #2.26 فیصد - کم ہوئے جبکہ، آمد فروز #16.16 فیصد - کم ہو گئی اور، مقامی فروز # گزشتہ سال کے مقابلے میں 4.01 فیصد - بڑھ گئی۔ مجموعی مقامی اور، آمد فروز # کا مجموعہ موجودہ سال میں *ر 73.36 ملین ڈالر اور 26.64 فیصد ہے جبکہ سال 2016 میں یہ 68.94 فیصد اور 31.06 فیصد تھا۔ کپاس،










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مفت آن لائن ٹولز:

- سکیم میٹر
- ماک ٹریڈنگ
- رسک پروفائلر
- نائج سینٹر
- کیلکولیٹر
- نیوز لیٹر سبسکرپشن

کھیل ہی کھیل
میں سیکھیں
سرمایہ کاری کا پتہ



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan.

DIN TEXTILE MILLS LIMITED

PROXY FORM

Folio No. _____ CDC Participant ID No. _____ A/c. No. _____

I / we _____

Of _____ being

a member(s) of **DIN TEXTILE MILLS LIMITED** holder of _____

Ordinary Shares _____ hereby appoint

Mr. / Mrs. / Miss. _____ of _____

Share Register Folio/CDC ID & Account No. _____ or

Mr. / Mrs. / Miss. _____ of _____

Share Register Folio/CDC ID & Account No. _____

is also a member of **DIN TEXTILE MILLS LIMITED**, as my proxy vote for me on my /our behalf

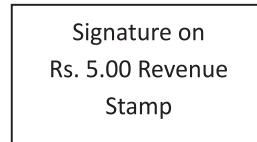
At the 30th Annual General Meeting of the Company to be held on October 28, 2017 and
at any adjournment thereof.

Signed this _____ day of _____ 2017

Witness:

1. _____

2. _____



N. B (Signature should agree with the specimen
Signature registered with the Company)

NOTICE:

A member entitled to vote at this meeting may appoint a proxy, proxies in order to be effective must be received at Registered Office of the company duly stamped, signed and witnessed not later than 48 hours before the time of the meeting.

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تشکیل نیابت داری

جناب کمپنی سیکرٹری

دین ٹیکسٹائل ملز لمیٹڈ، دین ہاؤس 35-A/1 لالہ زار ایریا بالمقابل بیچ لکٹری ہوٹل کراچی

میں / ہم _____
ساکن _____ بحیثیت دی دین ٹیکسٹائل ملز لمیٹڈ کے رکن و حامل
عام حصص بمطابق شیئر رجسٹرڈ فولیو نمبر _____ اور ایسی ڈی کے شراکتی آئی ڈی نمبر _____
اور ذیلی کھاتہ _____ محترم / محترمہ _____
ساکن _____ یا بصورت دیگر محترم / محترمہ _____
ساکن _____ واپنی جگہ بروز ہفتہ مورخہ 28 اکتوبر 2017 کو سالانہ اجلاس عام میں رائے دہندگی
کے لئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

ریونیوٹکٹ چسپاں کریں

(دستخط کمپنی میں پہلے سے موجود نمونہ
کے مطابق ہونا چاہئے)

دستخط

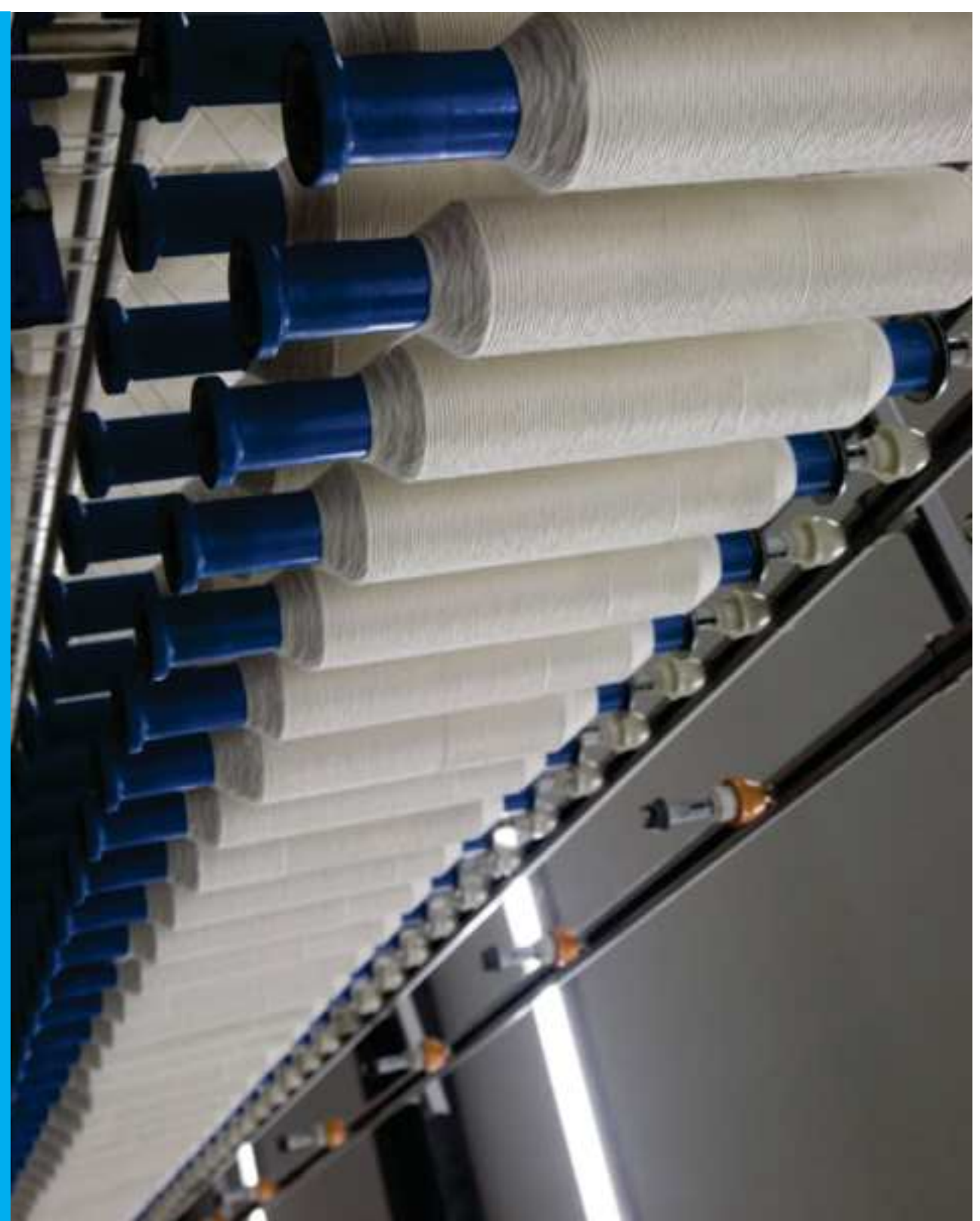
گواہ

(۱) دستخط _____
نام _____
پتہ _____
سی این آئی سی یا پاسپورٹ نمبر _____

(۲) دستخط _____
نام _____
پتہ _____
سی این آئی سی یا پاسپورٹ نمبر _____

نوٹ: نیابت داروں کے موثر ہونے کے لئے ضروری ہے کہ ان کی تفصیل اجلاس شروع ہونے سے 48 گھنٹے قبل کمپنی کو موصول ہو جائے۔
سی ڈی سی شیئر ہولڈر اور ان کے نیابت داروں سے گزارش ہے کہ وہ اپنے این آئی سی یا پاسپورٹ کی تصدیق شدہ فوٹوکاپی کمپنی کو پیش کرنے سے
قبل اس پر کسی فارم کے ساتھ منسلک کریں۔

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DIN GROUP