

2022

ANNUAL REPORT

D S INDUSTRIES LIMITED



CONTENTS

Company Information	2
Notice of Annual General Meeting	4
Directors' Report	5
Chairman Review Report	8
Financial Highlights	9
Statement of Compliance With Code of Corporate Governance	10
Auditors' Review Report on Corporate Governance	12
Auditors' Report to the Members	13
Statement of Financial Position	16
Statement of Profit or Loss	18
Statement of Comprehensive Income	19
Statement of Changes in Equity	20
Cash Flow Statement	21
Notes to the Financial Statements	22
Pattern of Shareholding	57
Directors' Report (Urdu language)	60
Form of Proxy	

COMPANY INFORMATION

Board of Directors	Mr. Ali Pervez Ahmed Mrs. Rehana Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Suleman Ahmed Mrs. Rukhsana Khalid Mr. M. Naeem Ilyas Mr. Haider Ali	Chief Executive
Audit Committee	Mr. M. Naeem Ilyas Mr. Haider Ali Mrs. Rukhsana Khalid	Chairman
HR & Remuneration Committee	Mrs. Rehana Pervez Ahmed Mrs. Rukhsana Khalid Mr. M. Naeem Ilyas	Chairperson
Chief Financial Officer	Mr. Muhammad Naeem Akhtar	
Company Secretary	Mr. Salman Farooq	
Auditors	M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Al Baraka Bank (Pakistan) Limited MCB Bank Limited Silk Bank Limited Meezan Bank Limited Bank Al-Falah Limited Bank Al-Habib Limited Dubai Islamic Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited 32-C, Jami Commercial, Street 2, DHA Phase VII, Karachi - 75500	
Website	www.dsil.com.pk	

VISION

- To be a dynamic, profitable, growth oriented Company and to achieve excellence through commitment, integrity, honesty and team work

MISSION

- To increase consistently the value of the Company to its shareholders by building up the Company on sound financial footings with better productivity, excellence in quality and improved efficiency at lower operating costs without compromising on our principles of ethics, integrity and professional standards
- To achieve high returns on investments through continuous process of improvement for the benefit of shareholders
- To be a responsible employer and to develop and reward employees according to their ability and performance.
- Be a good corporate citizen

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to the members that the Forty-second Annual General Meeting of D S Industries Limited will be held at the Registered Office of the Company i.e. 20-K, Gulberg II, Lahore on Friday, October 28, 2022, at 4:00 p.m. to transact the following business.

1. To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2022 and the Directors' Report and Auditors' Reports thereon.
2. To appoint statutory auditors of the Company for the year ending June 30, 2023 and fix their remuneration. The present Auditors M/s Rahman Sarfaraz Rahim Iqbal Rafiq - Chartered Accountants, retire and being eligible offered themselves for the re-appointment.

Lahore
October 6, 2022

Salman Farooq
(Company Secretary)

Notes

- I The Share Transfer Books of the Company will remain closed from October 24, 2022 to October 28, 2022 (both days inclusive) to establish the right to attend annual general meeting.
- II A member of the Company entitled to attend and vote may appoint another member as his/ her proxy to attend and vote instead of him /her.
- III Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- IV Member holding aggregate 10% or more shareholding, residing in a city other than Lahore, may demand the facility of video link for participation in the Annual General Meeting.
- V Shareholders are also requested to notify immediately any change in their contact details to the Share Registrar, M/s THK Associates (Private) Limited, Plot No 32-C, Jami Commercial, Street No 2, DHA Phase VII, Karachi.

DIRECTORS' REPORT

The Board of Directors of D.S. Industries Limited is pleased to present the Company's Forty-second Annual Report which includes the Audited Financial Statements of the Company together with the Directors' and Auditors' report thereon for the year ended June 30, 2022

Financial Results of the Company

Gradual recovery of global economy from Covid-19 pandemic was a good sign for textile sector during this year. However, it was overshadowed by rising cotton and polyester fiber prices, increase in energy prices and increase in mark-up rates

During this year, the Company has recorded net revenue of Rs. 15.94 million as compared to Rs. 133.97 million in the same period of last year with an overall decrease of almost 88% mainly because of decline in production. The Company has witnessed a drastic decline in production and sales during the year, owing to the failure to maintain sufficient working capital. The Bank did not provide loans to the Company or guaranteed any line of credit that contributed to insufficient net working capital.

During the year the company sold its Land and Building worth Rupees 303 million to meet the liabilities of the creditors. The company had to liquid these non-current assets since D S Industries Limited has already defaulted on its loans and failure to meet the liabilities would have had grave repercussions for the Company i.e., potential litigation. During the decision-making process the Directors are made aware of the impact of decisions on relevant stakeholders and engagement that has occurred with those stakeholders where applicable.

The Auditor has qualified its report regarding recognition of deferred tax assets. The Company has rightly recognized deferred tax asset as it expects profit in the future.

Future Outlook

Presently, the country is facing devastating floods which have ruined a significant portion of the cotton crop. Therefore, the availability of raw materials would be a major cause of concern during the financial year 2022-23. Such a situation is expected to increase our cost of production, which could have a negative impact on our profitability. The foremost challenges include global demand cut back, steep rupee devaluation, cotton crop due to recent flood coupled with sharp increase in commodity prices, high inflation and higher rate of borrowings in the country.

Dividend

In view of the adverse results in the current year and available accumulated losses, directors of your Company have proposed no dividend for the year.

Book Closure

The Share Transfer Books of the Company will remain closed and no transfer of shares will be accepted for registration from October 24, 2022 to October 28, 2022 (both days inclusive). Transfer received by our Shares Registrar, M/s THK Associates (Pvt.) Limited - 32-C, Jami Commercial, Street No 2, DHA Phase VII, Karachi at the close of business on October 21, 2022 will be considered to attend and vote at the meeting.

Pattern of Shareholding

Pattern of shareholding along with categories of shareholders of the Company as at June 30, 2022, are annexed with this report.

Annual Report June 30, 2022

Trading in the Shares of the Company

During the year ended June 30, 2022, the below mentioned directors have traded the stock of D S Industries Limited and informed to Stock Exchange

Name of Director & their spouses	Transaction Type	No of Shares
Mrs. Rehana Pervez Ahmed	Sell	6,600,000
Mr. Hassan Ibrahim Ahmed	Buy	2,350,000
Mr. Hassan Ibrahim Ahmed	Sell	2,350,000
Mr. Suleman Ahmed	Buy	742,500
Mrs. Sara Tanwir Ahmed w/o Mr. Hassan Ibrahim Ahmed	Buy	2,725,000

Operating and Financial Data

Operating and financial data with key ratios for the six years is annexed.

Number of Board Meetings Held

Five meetings of the Board of Directors were held during the year ended June 30, 2022 and the attendance of the directors is as follows.

Mr. Ali Pervez Ahmed	Chief Executive	4 attendance
Mr. Ali Pervez Ahmed (As Director)	Director	1 attendance
Mrs. Rehana Pervez Ahmed	Director	4 attendance
Mr. Hassan Ibrahim Ahmed	Director	1 attendance
Mr. Suleman Ahmed	Director	5 attendance
Mr. Naeem Ilyas	Director	4 attendance
Mr. Haider Ali	Director	5 attendance
Mrs. Rukhsana Khalid	Director	4 attendance

Statement of Ethics & 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 everybody associated or dealing with the Company.

Auditors

The Auditors M/s Rahman Sarfaraz Rahim Iqbal Rafiq - Chartered Accountants retire and being eligible offer themselves for reappointment. The Audit Committee recommends the reappointment of Messrs Rahman Sarfaraz Rahim Iqbal Rafiq - Chartered Accountants as auditors of the Company for the financial year ending June 30, 2022.

Audit Committee

The Audit Committee of the Company is in place and comprises the following members as required under the Code of Corporate Governance.

Mr. M. Naeem Ilyas	Chairman
Mr. Haider Ali	Member
Mrs. Rukhsana Khalid	Member

Meetings of the Audit Committee were held during the year ended June 30, 2022 as required by the Code of Corporate Governance for review of quarterly & annual accounts and other related matters. The meeting was also attended by the Chief Financial Officer, head of Internal Audit and External Auditors as and when it was required.

Code of Corporate Governance

Statement in Compliance to the Code of Corporate Governance

The Board of Directors and the Company remain committed to the principles of good corporate management practices. The Board and management are cognizant of their responsibilities and monitor the performance of the Company to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information. The Board is pleased to advise that the Company has complied, in all material respects, with the best practices contained in the Listed Companies (Code of Corporate Governance) Regulations 2019 as fully explained in the attached Statement of Compliance and there is no material departure from the best practices. Further, the following statements are being made:

- 1 Proper books of accounts of the Company have been maintained.
- 2 The financial statements prepared by the management of the Company present its state of affairs fairly, the result of its operations, cash flows and change in equity.
- 3 Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- 4 International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.
- 5 The system of internal control is sound in design and has been effectively implemented and monitored.
- 6 The Company recorded profit of Rs. 28.60 million during the year and has accumulated losses of Rs. 569.62 million as at the balance sheet date. The turnover of the Company has drastic declined from the last year. These factors may cast doubt about the entity's ability to continue as going concern. However, the management is making continuous efforts to support the Company.
- 7 There has been no material departure from the best practices of corporate governance as defined in the listing regulations.
- 8 Financial highlights for the last six years are annexed.

Acknowledgement

The Board of Directors would like to place on record their appreciation to the valued shareholders, bankers, the Securities & Exchange Commission of Pakistan and to the management of the Pakistan Stock Exchange Limited for their valuable support, assistance and guidance. The Board also express its appreciation to the staff and workers of the Company for their services, loyalty and efforts being continuously rendered

Lahore.
October 6, 2022



Suleman Ahmed
Director



Ali Pervez Ahmed
Chief Executive

CHAIRMANS' REVIEW

I am pleased to present annual review as Chairman of the Board of Directors of D S Industries Limited for the year ended June 30, 2022

I am pleased to report that the overall performance of the Board has remained satisfactory on the basis of criteria set for the purpose. Following are the integral components of evaluation criteria to judge the performance of the Board and to achieve the Companys' objectives;

- 1 Compliance with the legislative system in which Company operates, including Companies Act, 2017, Listing Regulations of Pakistan Stock Exchange Limited and the Memorandum and Articles of Association of the Company.
- 2 Active participation in strategic planning process, enterprise risk management system, policy development, financial structure, monitoring and approval.
- 3 Hiring, evaluating, compensating and supporting the Executive Directors and other key positions including Chief Executive
- 4 Appropriate constitution of Board Committees with members possessing adequate technical knowledge and experience
- 5 The present Board comprises of seven members, that were elected at the Extra-ordinary General Meeting of the Company held on January 31, 2021, for the term of three years, under the provisions of Section 159 of the Companies Act, 2017. The Board comprises members with vast experience and diversified knowledge. The Board together with its committees was fully involved in all business related affairs of the Company.
- 6 Establishing adequate system of internal controls in the Company and its regular assessment through self-assessment mechanism or/and internal audit activities
- 7 Ensuring presence of required quorum in Board and Committees' meetings

I would like to take this opportunity to express my appreciation for the untiring efforts of our employees and express gratitude to all the stakeholders including our valued customers, banks, suppliers and contractors for their continued cooperation and support

Chairman

Lahore
October 6, 2022

FINANCIAL HIGHLIGHTS

Profit and Loss Accounts	2022	2021	2020	2019	2018	2017
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Sales	15,940,800	133,969,658	117,732,604	581,734,778	717,846,175	823,969,981
Cost of sales	(34,458,893)	(128,717,193)	(115,417,102)	(612,634,156)	(733,450,702)	(879,568,859)
Gross Profit/(Loss)	(18,518,093)	5,252,465	2,315,502	(30,899,378)	(15,604,527)	(55,598,878)
Operating expenses						
- Selling & Distribution cost	(1,666,963)	(27,504,948)	(24,632,791)	(2,441,729)	(1,852,272)	(2,474,395)
- Administrative & General expenses	(7,172,981)	(9,850,977)	(16,418,310)	(34,702,708)	(29,132,885)	(27,806,108)
- Other expenses	(796,760)	(11,474,238)	(296,654)	(114,649,676)	(6,066,603)	(16,796,430)
	(9,636,704)	(48,830,163)	(41,347,755)	(151,794,113)	(37,051,760)	(47,076,933)
	(28,154,797)	(43,577,698)	(39,032,253)	(182,693,491)	(52,656,287)	(102,675,811)
Other Income	21,719,283	14,533,463	26,657,954	94,521,203	14,195,755	171,623,638
Operating (Loss) / Profit	(6,435,514)	(29,044,235)	(12,374,299)	(88,172,288)	(38,460,532)	68,947,827
Finance cost	(11,326,462)	(11,450,615)	(16,474,364)	(17,441,039)	(9,677,409)	(3,933,821)
Notional Interest	(6,995,420)	2,621,099	4,101,969	(15,543,107)	15,543,107	-
Share of (Loss) / profit of associated undertaking	(6,885,411)	6,389,774	(1,799,806)	(13,390,093)	(11,242,787)	16,100,595
(Loss)/Profit before Taxation	(31,642,807)	(31,483,977)	(26,546,500)	(134,546,527)	(43,837,621)	81,114,601
Taxation	60,244,704	21,804,737	(6,936,307)	53,015,364	(31,945,213)	(4,022,587)
(Loss) after Taxation	28,601,897	(9,679,240)	(33,482,807)	(81,531,163)	(75,782,834)	77,092,014
Dividend	0	0	0	0	0	0
Bonus	0	0	0	0	0	0
Balance Sheet						
Share Capital	836,856,310	836,856,310	836,856,310	836,856,310	836,856,310	836,856,310
Long term finances	-	96,775,762	103,975,762	-	82,745,085	-
Property, plant and equipment	21,793,292	331,969,244	343,661,165	371,830,271	478,921,989	510,776,302
Current assets	166,870,898	18,498,504	20,624,720	36,944,240	104,292,967	71,518,695
Current liabilities	153,768,186	189,189,399	166,447,339	292,148,868	372,843,664	409,169,716
Key Financial Ratios						
Gross (loss)/profit ratio (%)	(116.17)	3.92	1.97	(5.31)	(2.17)	(6.75)
Operating (loss)/profit ratio (%)	(40.37)	(21.68)	(10.51)	(15.16)	(5.36)	8.37
Net (loss)/profit ratio (%)	179.42	(7.22)	(28.44)	(14.02)	(10.56)	9.36
Earning/(loss) per share	0.34	(0.12)	(0.40)	(0.97)	(0.91)	1.13

Statement of Compliance With Listed Companies (Code of Corporate Governance) Regulations, 2019 For The Year Ended June 30, 2022

Name of Company: **D S INDUSTRIES LIMITED**

Year ending: **June 30, 2022**

The Company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are seven as per the following:

Male : Five

Female : Two

2. The composition of the Board is as follows:

Name of Director and Category

Independent Directors

- Mr. M Naeem Ilyas

- Mr. Haider Ali

Other Non-Executive Directors

- Mrs. Rehana Pervez Ahmed

- Mrs. Rukhsana Khalid

Executive Directors

- Mr. Ali Pervez Ahmed

- Mr. Hassan Ibrahim Ahmed

- Mr. Suleman Ahmed

3. The Directors have confirmed that none of them is serving as a director on more than Seven listed companies, including this Company;
4. 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;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of the particulars of the significant policies along with their dates of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / Shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. 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. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedure for remuneration of directors in accordance with the Act and these Regulations;
9. Directors are well conversant with the Listing Regulations and legal requirements and as such are fully aware of their duties and responsibilities. However none of directors of the Company have obtained any certification in any Directors Training Program;

However all the Executive Directors, Mr. Ali Pervez Ahmed, Mr. Hassan Ibrahim Ahmed and Mr. Suleman Ahmed are exempt due to 14 years of education and 15 years of experience on the board of a listed company.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:-

Audit Committee

- Mr. M. Naeem Ilyas (Chairman)
- Mr. Haider Ali
- Mrs. Rukhsana Khalid

HR and Remuneration Committee

- Mrs. Rehana Pervez Ahmed (Chairperson)
- Mrs. Rukhsana Khalid
- Mr. M. Naeem Ilyas

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:

Audit Committee - Quarterly
Human Resource and Remuneration Committee - Yearly
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their 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 and that they and the partners of the firm involved in the audit are not a close relative (Spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with, except as explained at Sr. 19 and 20
19. The Company, currently have three executive directors out of total seven directors on the Board, to work in more effective manner and with proper division of responsibilities.
20. The Company currently has two elected independent directors out of total seven directors on the Board. Both the independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations under which hereby fulfill the necessary requirements; therefore, not warrant the appointment of a third independent director.

Lahore.
October 6, 2022



Suleman Ahmed
Director



Ali Pervez Ahmed
Chief Executive

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of D.S. INDUSTRIES LIMITED
Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ['the Regulations'] prepared by the Board of Directors of D.S. INDUSTRIES LIMITED ['the Company'] for the year ended 30 June 2022 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a 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 Regulations require 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. 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.

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 requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2022.



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants
Engagement Partner: ZUBAIR IRFAN MALIK

Lahore: OCTOBER 06, 2022

UDIN: CR202210185ihweGj8NY

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the annexed financial statements of D.S. INDUSTRIES LIMITED ['the Company'], which comprise the statement of financial position as at 30 June 2022, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matter described in 'Basis for Qualified Opinion' paragraph, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the loss, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

The Company has recognized deferred tax asset amounting to Rs. 90.508 million on unused tax losses. The Company has history of losses and there is no convincing evidence that sufficient taxable profits will be available in future against which these unused tax losses can be utilized by the Company. Had the deferred tax asset not been recognized, deferred tax asset as at 30 June 2022 and profit after taxation for the year then ended would have been lower by Rs. 90.508 million. The financial statements do not disclose this fact.

We conducted our audit in accordance with International Standards on Auditing ['ISAs'] as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan ['the Code'] and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty relating to Going Concern

We draw attention to note 2.2 to the financial statements which explains that the Company has incurred gross loss of Rs. 18.518 million and loss before taxation of Rs. 31.643 million during the year. The Company's revenue has been facing a declining trend for the past few years. Further, the Company as at 30 June 2022, has accumulated losses of Rs. 569.619 million. The Company has liquidated substantially all property, plant and equipment. These factors indicate existence of material uncertainty that raises doubts about the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern basis for reasons explained in note 2.2. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to report.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of user taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) except for the possible effects of matters explained in 'Basis of Qualified Opinion' section of our report:
 - i. proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
 - ii. the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- b) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- c) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is ZUBAIR IRFAN MALIK.



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants
Engagement Partner: **ZUBAIR IRFAN MALIK**
Lahore: OCTOBER 06, 2022
UDIN: AR2022101858ZiXh4Nbj

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
<i>Authorized share capital</i>	6	1,000,000,000	1,000,000,000
Issued share capital	7	836,856,310	836,856,310
Discount on issue of shares	8	(82,899,709)	(82,899,709)
Revaluation reserve	9	17,340,002	228,435,379
Accumulated losses		(569,618,862)	(809,143,692)
TOTAL EQUITY		201,677,741	173,248,288
NON-CURRENT LIABILITIES			
Long term finances	10	-	96,775,762
Deferred interest	11	-	16,391,492
Long term payables	12	-	672,978
Employees retirement benefits	13	588,790	2,515,776
		588,790	116,356,008
CURRENT LIABILITIES			
Trade and other payables	14	79,913,374	111,304,864
Unclaimed dividend		337,563	337,563
Accrued interest	15	-	-
Short term borrowings	16	73,317,989	61,165,447
Current portion of non-current liabilities	17	-	14,371,980
Provision for taxation	34	199,260	2,009,545
		153,768,186	189,189,399
TOTAL LIABILITIES		154,356,976	305,545,407
CONTINGENCIES AND COMMITMENTS	18		
TOTAL EQUITY AND LIABILITIES		356,034,717	478,793,695

The annexed notes from 1 to 54 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	19	21,793,292	331,969,244
Long term investments	20	69,784,205	76,666,869
Deferred taxation	21	93,101,083	32,586,684
Long term deposits	22	4,485,239	19,072,394
		189,163,819	460,295,191
CURRENT ASSETS			
Stores and spares		361,346	878,864
Stock in trade	23	2,867,199	10,343,837
Trade receivables	24	-	-
Advances and other receivables	25	31,092,279	2,507,684
Advance income tax/income tax refundable		2,168,920	3,966,312
Bank balances	26	130,381,154	801,807
		166,870,898	18,498,504
TOTAL ASSETS		356,034,717	478,793,695

The annexed notes from 1 to 54 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2022

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
Revenue from contracts with customers - net	27	15,940,800	133,969,658
Cost of sales	28	(34,458,893)	(128,717,193)
Gross profit		(18,518,093)	5,252,465
Selling and distribution expenses	29	(1,666,963)	(27,107,182)
Administrative expenses	30	(7,172,981)	(9,850,977)
Other expenses	31	(796,760)	(11,874,288)
		(9,636,704)	(48,832,447)
Other income	32	(28,154,797)	(43,579,982)
Operating loss		21,719,283	14,535,747
Finance cost	33	(6,435,514)	(29,044,235)
Notional interest	11.2	(11,326,462)	(11,450,615)
Share of (loss)/profit of associates	20	(6,995,420)	2,621,099
Loss before taxation		(6,885,411)	6,389,774
Provision for taxation	34	(31,642,807)	(31,483,977)
Profit/(loss) after taxation		60,244,704	21,804,738
Earnings/(loss) per share - basic and diluted	35	28,601,897	(9,679,239)
		0.34	(0.12)

The annexed notes from 1 to 54 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2022

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of defined benefit obligation	13.4	(242,879)	(108,060)
Related taxation	21	70,435	32,527
		(172,444)	(75,533)
Other comprehensive loss		(172,444)	(75,533)
Loss after taxation		28,601,897	(9,679,239)
Total comprehensive loss		28,429,453	(9,754,772)

The annexed notes from 1 to 54 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2022

	Note	Share capital	Capital reserves			Total equity
		Issued share capital	Discount on issue of shares	Revaluation reserve	Accumulated losses	
		Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 July 2020		836,856,310	(82,899,709)	235,315,776	(806,269,317)	183,003,060
Comprehensive income						
Loss after taxation		-	-	-	(9,679,239)	(9,679,239)
Other comprehensive income		-	-	-	(75,533)	(75,533)
Total comprehensive loss		-	-	-	(9,754,772)	(9,754,772)
Other transactions						
Incremental depreciation	9	-	-	(6,880,397)	6,880,397	-
Transactions with owners		-	-	-	-	-
Balance as at 30 June 2021		836,856,310	(82,899,709)	228,435,379	(809,143,692)	173,248,288
Balance as at 01 July 2021		836,856,310	(82,899,709)	228,435,379	(809,143,692)	173,248,288
Comprehensive income						
Loss after taxation		-	-	-	28,601,897	28,601,897
Other comprehensive loss		-	-	-	(172,444)	(172,444)
Total comprehensive loss		-	-	-	28,429,453	28,429,453
Other transactions						
Revaluation surplus realised on disposal	9	-	-	(205,103,697)	205,103,697	-
Incremental depreciation	9	-	-	(5,991,680)	5,991,680	-
		-	-	(211,095,377)	211,095,377	-
Transactions with owners		-	-	-	-	-
Balance as at 30 June 2022		836,856,310	(82,899,709)	17,340,002	(569,618,862)	201,677,741

The annexed notes from 1 to 54 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2022

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash (used in)/generated from operations	36	(75,833,581)	9,179,141
Payments for:			
Employees retirement benefits		(2,483,147)	(661,087)
Interest on borrowings		(950,969)	(554,170)
Income tax		(212,153)	(4,044,715)
Net cash (used in)/generated from operating activities		(79,479,850)	3,919,169
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	(1,803,550)
Proceeds from disposal of property, plant and equipment		184,319,500	2,497,500
Long term deposits		14,587,155	600,000
Net cash generated from investing activities		198,906,655	1,293,950
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term finances		(2,000,000)	(4,500,000)
Net increase/(decrease) in short term borrowings		12,152,542	(645,118)
Net cash generated from/(used in) financing activities		10,152,542	(5,145,118)
NET INCREASE IN CASH AND CASH EQUIVALENTS		129,579,347	68,001
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		801,807	733,806
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	37	130,381,154	801,807

The annexed notes from 1 to 54 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND OPERATIONS

D.S. Industries Limited ['the Company'] was incorporated in Pakistan as a Private Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017) and was subsequently converted into a Public Limited Company. The Company is listed on Pakistan Stock Exchange Limited. The Company is engaged in manufacturing of women's fashion apparel. The registered office of the Company is situated at 20-K, Gulberg II, Lahore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards ['IFRS'] issued by the International Accounting Standards Board ['IASB'] as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards ['IFAS'] issued by Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Going concern assumption

The Company has incurred gross loss of Rs. 18.518 million and loss before taxation of Rs. 31.643 million during the year. The Company's revenue has been facing a declining trend for the past few years. Further, the Company as at 30 June 2022, has accumulated losses of Rs. 569.619 million. The Company has liquidated substantially all property, plant and equipment. These factors indicate existence of material uncertainty that raises doubts about the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern basis based

(a) The Company has continued financial support of its related parties in the form of interest free loans. Related parties have, upto 30 June 2022, provided financial support amounting to Rs. 73.318 million in the form of interest free loans.

(b) The Company has remodelled its textile product portfolio switched from loss making yarn to profitable ready to wear

(c) The Company has successfully repaid/settled its debt finance liabilities.

(d) Current assets of the Company, as at 30 June 2022, exceed its current liabilities as at that date.

The management is confident that through above factors, the Company will turnaround into a profitable company, subject to impact, if any, of uncontrollable circumstances including power crises and market conditions.

2.3 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost
Land, building, plant and machinery	Revalued amount
Employee retirement benefits	Present value

2.4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.4.1 Critical accounting judgements

Judgments made by management in the application of accounting and reporting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent years are as follows:

(a) Business model assessment (see note 41.1)

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Company determines the business model at a level that reflects how financial assets are managed to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or fair value that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the

(b) Significant increase in credit risk (see note 42.1.1)

As explained in note 42.1.1, expected credit losses ['ECL'] are measured, based on the Company's risk grading framework, as an allowance equal to 12-month/lifetime ECL for 'performing' assets, or lifetime ECL for assets categorized as 'doubtful' or 'in default'. An asset is categorized as 'doubtful' when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative

2.4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

(a) Calculation of impairment allowance for expected credit losses on financial assets (see note 42.1.6)

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of initial recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset. Estimating expected credit losses and changes there in requires taking into account qualitative and quantitative forward looking information. When measuring expected credit losses on financial assets the Company uses reasonable and supportable forward looking information as well as historical data to calculate the difference between the contractual cash flows due and those that the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements, if any. Probability of default constitutes a key input in measuring expected credit losses. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. If the ECL rates on financial assets carried at amortized cost were higher (lower) by 10%, the loss allowance on those assets would have been higher (lower) by Rs. 13.656 million (30-Jun-21: Rs. 2.257 million). Further information on the Company's credit risk management

(b) Present value of defined benefit obligation (see note 13)

The determination of the Company's defined benefit obligation depends on certain assumptions, which include selection of the discount rate, average rate of increase in salaries and mortality rates. The discount rate is set by reference to market yields at the end of the reporting period on government bonds as there is no deep market for high quality corporate bonds in Pakistan. Average rate of increase in salary are based on market expectations, inflation and historical trends. Mortality rates are based upon SLIC(2001-05) mortality table. These assumptions are considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may

Present value of the Company's defined benefit obligation has been determined by an independent actuary, TRT Associates, and is stated in the statement of financial position at Rs. 0.589 million (30-June-21: Rs. 2.516 million). Further information on the carrying amounts of the Company's defined benefit obligation and the sensitivity of those amounts to changes in assumptions are referred to in note 13.

(c) Taxation provisions (see note 34)

The Company takes into account the current income tax law and decisions taken by appellate and other relevant legal forums while estimating its provisions for current tax and tax contingencies. The provision for current tax is estimated at Rs. 0.199 million (30-Jun-21: Rs. 2.010 million). The management believes that the provision for current tax made in the financial statements is sufficient to discharge related tax liability.

Credit for deferred tax of Rs. 60.414 million (30-Jun-21: Rs. 23.814 million) has been estimated after taking into account historical and future turnover and profit trends and their taxability under the current tax law.

Further information on the taxation provisions are referred to in note 34.

(d) Deferred tax assets on unused tax losses and credits (see note 21.3)

Deferred tax assets are recognized for unused tax losses and credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Company has Rs. 315.972 million (30-Jun-21: Rs. 331.520 million) of tax losses and credits carried forward as at the reporting date and available to the Company for utilization against future taxable profits. Out of these, deferred tax asset has been recognized on tax losses and credits amounting to Rs. 311.997 million (30-Jun-21: Rs. 311.043

If the Company was able to recognize all unrecognized deferred tax assets, deferred tax assets and equity as at the reporting date would have increased by Rs. 3.975 million (30-Jun-21: Rs. 20.662 million)

(e) Net realizable values of stock in trade (see note 23.1)

The Company estimates net realizable values of its stock in trade as the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

2.5 Functional currency

These financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these financial statements have been rounded to the nearest Rupees unless specified otherwise.

2.6 Date of authorization for issue

These financial statements were authorized for issue on 06 October 2022 by the Board of Directors of the Company.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE YEAR.

The following new and revised standards, interpretations and amendments are effective in the current year but are either not relevant to the Company or their application does not have any material impact on the financial statements of the Company other than presentation and disclosures, except as stated otherwise.

3.1 Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: Recognition and Measurement, and IFRS 7 - Financial Instruments: Disclosures, IFRS 4 - Insurance Contracts, IFRS 16 - Leases)

The amendments in Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is

3.2 COVID-19 - Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16 - Leases)

The amendment extends, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	Effective date (annual periods beginning on or after)
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2023
Reference to the Conceptual Framework (Amendments to IFRS 3 - Business	01 January 2022
Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16 - Property, Plant and Equipment).	01 January 2022
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37 - Impairment of Assets).	01 January 2022
Annual Improvements to IFRS Standards 2018–2020.	01 January 2022
Disclosure of Accounting Policies (Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality	01 January 2023
Definition of Accounting Estimates (Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 - Income Taxes)	01 January 2023
Other than afore mentioned standards, interpretations and amendments, IASB has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan ['SECP']:	
IFRS 1 - First Time Adoption of International Financial Reporting Standards	
IFRS 17 - Insurance contracts	

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's financial

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial

5.1 Property, plant and equipment

Land, buildings, plant and machinery and electric installations held for use in the production or supply of goods or services or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any accumulated depreciation and accumulated impairment losses, except for freehold land, which is not depreciated. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of such land, buildings, plant and machinery and electric installations is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land, buildings and plant and machinery is recognized as an expense in profit or loss to the extent that it exceeds the

All other items of property, plant and equipment (furniture and fixtures, office and other equipments and vehicles) are stated in the statement of financial position at cost less accumulated depreciation and accumulated impairment losses.

Assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes the cost of material, labour and appropriate overheads directly relating to the construction, erection and installation of the asset and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Depreciation of these assets, determined on the same basis as other assets of the same class, commences when the assets are ready for their intended use.

Depreciation is recognized in profit or loss, using rates specified in note 19, so as to write off the cost or revalued amounts of assets (other than freehold land and assets under construction) over their useful lives, using the reducing balance method, with the exception of computer hardware and allied items, which are depreciated using straight line method over their useful lives, and right-of-use assets, for which the lease does not transfer ownership of the underlying asset to the Company at the end of lease term, which are depreciated over the shorter of lease term and useful lives of

Depreciation on an item of property, plant and equipment commences from the month in which the item is ready for intended use. Depreciation is discontinued from the month in which it is disposed or classified as held for disposal.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Incremental depreciation being the difference between depreciation based on the revalued amounts recognized in profit or loss and depreciation based on the historical cost, net of tax, is reclassified from the revaluation reserve to retained earnings. On the subsequent disposal or retirement of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its continued use. The gain or loss arising on the disposal or retirement of such items is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in

5.2 Stores and spares

These are generally held for internal use and are valued at cost. Cost is determined on the basis of moving average except for items in transit, which are valued at invoice price plus related cost incurred up to the reporting date. For items which are considered obsolete, the carrying amount is written down to nil. Spare parts held exclusively for capitalization are classified as property, plant and equipment.

5.3 Stock in trade

These are valued at lower of cost and net realizable value, with the exception of stock of waste which is valued at net realizable value. Cost is determined using the following basis:

Category	Basis of determination of cost
Raw material	Moving average cost
Work in process	Average manufacturing cost
Finished goods	Average manufacturing cost
Stock in transit	Invoice price plus related cost incurred up to the reporting date

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labour and an appropriate proportion of manufacturing overheads.

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

5.4 Employee benefits

5.4.1 Short-term employee benefits

The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property, plant and equipment as permitted or required by the accounting and reporting standards as applicable in Pakistan. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash

5.4.2 Post-employment benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its employees who have completed the minimum qualifying service period. Liability is adjusted on each reporting date to cover the obligation and the adjustment is charged to profit or loss with the exception of remeasurements which are recognized in other comprehensive income. The amount recognized on statement of financial position represents the present value of defined benefit obligation.

5.5 Financial instruments

5.5.1 Recognition

A financial instrument is recognized when the Company becomes a party to the contractual provisions of the instrument.

5.5.2 Classification

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial liabilities are classified in accordance with the substance of contractual provisions. The Company determines the classification of its financial

(a) Financial assets at amortized cost

These are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income ['fair value through OCI']

These are:

- (i) financial assets held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- (ii) investments in equity instruments, that are not held for trading nor contingent consideration recognized by the Company as acquirer in a business combination, for which the Company makes an irrevocable election at initial recognition to present changes in fair value on subsequent measurement in other comprehensive income.

(c) Financial assets at fair value through profit or loss

These are financial assets which have not been classified as 'financial assets at amortized cost' or as 'financial assets at fair value through other comprehensive income', are mandatorily measured at fair value through profit or loss or for which the Company makes an irrevocable election at initial recognition to designate as 'financial asset at fair value through profit or loss' if doing so eliminates or significantly reduces a measurement or recognition

(d) Financial liabilities at amortized cost

These are financial liabilities which are not derivatives, financial guarantee contracts, commitments to provide loans at below-market interest rate, contingent consideration payable to an acquirer in a business combination or financial liabilities that arise when transfer of a financial asset does not qualify for derecognition.

(e) Financial liabilities at fair value through profit or loss

These are financial liabilities which have not been classified as 'financial liabilities at amortized cost' or for which the Company makes an irrevocable election at initial recognition to designate as 'financial liabilities at fair value through profit or loss' if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

5.5.3 Measurement

The particular measurement methods adopted are disclosed in individual policy statements associated with each financial instrument.

5.5.4 Derecognition

A financial asset is derecognized when the Company's contractual rights to the cash flows from the financial assets expire or when the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the financial asset. A financial liability is derecognized when the Company's obligations specified in the contract expire or a discharged or cancelled.

5.5.5 Off-setting

A financial asset and financial liability is offset and the net amount reported in the statement of financial position if the Company has legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.5.6 Regular way purchases or sales of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

5.6 Ordinary share capital

Ordinary share capital is recognized as equity. Transaction costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

5.7 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and value at maturity recognized in the profit or loss over the period of the borrowings on an effective interest basis.

5.8 Investment in associates

Investments in associates are accounted for using the equity method of accounting. Under the equity method, an investment in an associate is recognized initially in the statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate, dividends received and impairment losses, if any. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on

5.9 Trade and other payables

5.9.1 Financial liabilities

These are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

5.9.2 Non-financial liabilities

These, both on initial recognition and subsequently, are measured at cost.

5.10 Provisions and contingencies

Provisions are recognized when the Company has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where outflow of resources embodying economic benefits is not probable, or where a reliable estimate of the amount of obligation cannot be made, a contingent liability is

5.11 Trade and other Receivables

5.11.1 Financial assets

These are classified as 'financial assets at amortized cost'. On initial recognition, these are measured at fair value at the date of transaction, plus attributable transaction costs, except for trade receivables that do not have a significant financing component, which are measured at undiscounted invoice price. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

5.11.2 Non-financial assets

These, both on initial recognition and subsequently, are measured at cost.

5.12 Contracts with Customers

5.12.1 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue from a contract with customer when the Company satisfies an obligation specified in that contract. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Fashion apparel	Payments from customers against sale of goods is typically due at the end of credit period ranging from 30 days to 120 days, except for garments which are sold for cash on delivery. There are no customer loyalty programs or warranty provisions. However, some contracts allow for return of goods if those do not meet the requirements or specifications provided	Revenue is recognised at a point in time when the goods are dispatched to the customers.

5.12.2 Contract assets

Contract assets represent work performed upto the reporting date which has not been invoiced to customers because the related performance obligations remain partially unsatisfied as at the reporting date.

5.12.3 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.

5.13 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income ['OCI']. OCI comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by accounting and reporting standards as applicable in Pakistan, and is presented in 'statement of comprehensive income'.

5.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss as

5.15 Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in other comprehensive income.

5.15.1 Current taxation

Current tax is the amount of tax payable on taxable income for the year and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is

5.15.2 Deferred taxation

Deferred tax is accounted for using the 'balance sheet approach' providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the treatment prescribed by The Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at

5.16 Earnings per share ['EPS']

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential

5.17 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and cash at banks. Interest income on cash and cash equivalents is recognized using effective interest method.

5.18 Segment reporting

Segment reporting is based on the operating segments that are reported in the manner consistent with internal reporting of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The Company is a single operating segment based on internal reporting to the

5.19 Foreign currency transactions and balances

Transactions in foreign currency are translated to the functional currency of the Company using exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at exchange rate prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated to the functional currency at exchange rate prevailing at the date the fair value is determined. Non-monetary assets and liabilities denominated in foreign currency that are measured at historical cost are translated to functional currency at exchange rate prevailing at the date of initial recognition. Any gain or loss arising on translation of foreign currency transactions and balances is recognized in profit or loss.

5.20 Impairment

5.20.1 Financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of initial recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset.

Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to twelve months' expected credit losses, with the exception of trade receivables, for which the Company recognises lifetime expected credit losses estimated using internal credit risk grading based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions, and an assessment for both the current as well as the forecast direction of conditions at the reporting date,

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognized in profit or

5.20.2 Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used in determining the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

5.21 Dividend distribution to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from retained earnings in statement of changes in equity and as a liability, to the extent it is unclaimed/unpaid, in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

5.22 Fair value measurements

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non **performance risk**.

A number of the Company's accounting policies and disclosures require the measurement of fair values.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price

Fair values are categorised 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 quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not 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 measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

6 AUTHORIZED SHARE CAPITAL

30-Jun-22	30-Jun-21		30-Jun-22	30-Jun-21
No. of shares	No. of shares		Rupees	Rupees
100,000,000	100,000,000	Ordinary shares of Rs. 10 each	1,000,000,000	1,000,000,000
100,000,000	100,000,000		1,000,000,000	1,000,000,000

7 ISSUED SHARE CAPITAL

30-Jun-22	30-Jun-21		30-Jun-22	30-Jun-21
No. of shares	No. of shares		Rupees	Rupees
		Ordinary shares of Rs. 10 each		
53,685,631	53,685,631	Issued for cash	536,856,310	536,856,310
30,000,000	30,000,000	Issued as fully paid bonus shares	300,000,000	300,000,000
83,685,631	83,685,631		836,856,310	836,856,310

Annual Report June 30, 2022

8 DISCOUNT ON ISSUE OF SHARES

This represents discount on issue of ordinary shares under section 84 and 86(1) of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017).

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
9 REVALUATION RESERVE			
As at beginning of the year		228,435,379	235,315,776
Incremental depreciation transferred to accumulated losses			
Incremental depreciation for the year		(8,438,986)	(9,690,700)
Deferred taxation		2,447,306	2,810,303
		(5,991,680)	(6,880,397)
Surplus realised on disposal			
Surplus on the assets disposed off		(256,052,149)	-
Deferred taxation		50,948,452	-
		(205,103,697)	-
As at end of the year		17,340,002	228,435,379

10 LONG TERM FINANCES

These represent long term finances utilized under interest arrangements from banking companies

Term Finances ['TF']

TF - I	10.1	-	105,475,762
		-	105,475,762
Current maturity presented under current liabilities	17	-	(8,700,000)
		-	96,775,762

- 10.1** TF - I was obtained from Silk Bank Limited on conversion of short term borrowings amounting to Rs 109.976 million. The finance was secured by charge over present and future current assets and operating fixed assets of the Company and personal guarantees of the Company's Directors. The finance carried interest at the rate of Silkbank's cost of Funds (8.24%) payable in twelve equal monthly installments, after the full settlement of principal, with the first installment due in July 2025. The principle was originally repayable in sixty stepped-up monthly installments with the first installment due in July 2020. However, during the year, the outstanding liability was settled completely pursuant to agreement of sale of

- 10.2** The movement during the year is as follows:

	30-Jun-22 Rupees	30-Jun-21 Rupees
As at beginning of the year	105,475,762	109,975,762
Repaid during the year	(2,000,000)	(4,500,000)
Settled during the year	(103,475,762)	-
As at end of the year	-	105,475,762

- 10.3** For mortgages and charges on assets as security for liabilities, refer to note 45 to the financial statements.

11 DEFERRED INTEREST

This represents accrued interest on short term borrowings and TF - I. As per restructuring arrangement, this accrued interest was originally payable in twelve equal monthly installments after full settlement of principal amount of TF - I with the first installment due in July 2025. Deferred interest was carried at amortised cost which was determined using a discount rate of 8.24%. However, during the year, liability amounting to Rs. 14.125 million was waived by the lender following the settlement pursuant to agreement for sale of land and building to a third party as referred to in note 47.

- 11.1** The movement during the year is as follows:

	<i>Note</i>	30-Jun-22	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
As at beginning of the year		23,114,560	12,218,115
Transferred from accrued interest	15	11,085,919	10,896,445
Repaid during the year		(950,969)	-
Settled during the year		(19,124,238)	-
Waived off during the year	32	(14,125,272)	-
		-	23,114,560
Unamortized notional interest	11.2	-	(6,723,068)
As at end of the year		-	16,391,492

11.2 Unamortized notional interest

As at beginning of the year		6,723,068	4,101,969
Recognized during the year		-	3,289,871
Amortization for the year		(6,723,068)	(668,772)
As at end of the year		-	6,723,068

12 LONG TERM PAYABLES

This represents Gas Infrastructure Development Cess ['GIDC'] levied by Sui Northern Gas Pipelines Limited ['SNGPL']. The Company and others had filed suits but The Supreme Court of Pakistan ['SCP'] decided the case against the petitioners dismissing all petitions. According to SCP decision, GIDC upto July 2020 would be recovered from consumers in equal monthly installments with the first installment due in September 2020. It was classified as 'financial liabilities at amortized cost' under IFRS 9 which was measured at amortized cost determined using a discount rate of 7.00%. However, during the year, the Company paid the entire liability along with the amount of past-dated cheques issued for the difference in the amount as required to be paid by the industrial consumer and the captive power

	<i>Note</i>	30-Jun-22	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
Face value		1,417,995	6,617,310
Unamortized notional interest	12.1	-	(272,352)
		1,417,995	6,344,958
Current portion presented under current liabilities		-	(5,671,980)
Derecognized during the year	25.2	(1,417,995)	-
		-	672,978

12.1 Unamortized notional interest

As at beginning of the year		272,352	-
Recognized during the year		-	538,694
Amortization for the year		(272,352)	(266,342)
As at end of the year		-	272,352

13 EMPLOYEES RETIREMENT BENEFITS

The Company operates an unfunded gratuity scheme, a defined benefit plan, for all its employees who have completed the minimum qualifying service period. Under the scheme, the Company pays a lump-sum benefit equal to last drawn monthly gross salary for each year of service to scheme members whereas the members of the scheme are not required to make any contributions to the scheme. The scheme is administered by the management of the Company under the supervision and directions of the Board of Directors of the Company. The amount recognized on statement of financial

	<i>Note</i>	30-Jun-22	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
13.1 Movement in present value of defined benefit obligation			
As at beginning of the year		2,515,776	1,435,225
Charged to profit or loss for the year	13.2	313,282	1,633,578
Benefits paid during the year		(2,483,147)	(661,087)
Remeasurements recognized in other comprehensive income	13.4	242,879	108,060
As at end of the year		588,790	2,515,776

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
13.2 Charge to profit or loss			
Current service cost		185,452	1,539,680
Interest cost		127,830	93,898
		313,282	1,633,578
13.3 The charge to profit or loss has been allocated as follows			
Cost of sales	28.2	313,282	1,633,578
		313,282	1,633,578
13.4 Remeasurements recognized in other comprehensive income			
Actuarial loss arising from changes in:			
Changes in financial assumptions		1,926	4,101
Experience adjustments		240,953	108,060
		242,879	112,161

13.5 Principal actuarial assumptions

Present value of defined benefit obligation has been determined using projected unit credit method. The liability as at the reporting date is based on actuarial valuation carried out by independent actuaries, TRT Associates. The principal assumptions used in determining present value of defined benefit obligation are:

	30-Jun-22	30-Jun-21
Discount rate	13.25%	10.00%
Expected rates of increase in salary	12.25%	9.00%

13.6 Average duration of the defined benefit obligation

The average duration of the defined benefit obligation is nine years.

13.7 Expected charge to profit or loss for the next financial year

The expected charge to profit or loss for the year ending 30 June 2023 amounts to Rs. 306,434.

13.8 Sensitivity analysis

An analysis of sensitivity for discount rate and expected rate of increase in salary used to determine the present value of defined benefit obligation as at the reporting date showing how the defined benefit obligation would have been affected by changes in relevant actuarial assumption that were reasonably possible at that date is as follows:

	30-Jun-22		30-Jun-21	
	Change in actuarial assumption	Defined benefit obligation Rupees	Change in actuarial assumption	Defined benefit obligation Rupees
Discount rate	+ 1%	542,111	+ 1%	2,304,052
	- 1%	648,443	- 1%	2,755,979
Expected rate of increase in salary	+ 1%	648,428	+ 1%	2,755,919
	- 1%	542,104	- 1%	2,304,024

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of defined benefit obligation as at the reporting date has been calculated using projected unit credit method, which is the same as that applied in calculating the defined benefit obligation to be recognized in these financial statements.

13.9 Risk factors

The defined benefit plan exposes the Company to the following actuarial risks:

Interest risk: The discount rate used in determination of present value of defined benefit obligation has been determined by reference to market yield at the reporting date on government bonds since there is no deep market in long term corporate bonds in Pakistan. An increase in market yield resulting in a higher discount rate will decrease in the

Longevity risk: The present value of defined benefit obligation is calculated by reference to the best estimate of the expected remaining working lives of the employees. An increase in the expected remaining working lives will increase the defined benefit obligation. However, the increase is not expected to be material.

Salary risk: The present value of defined benefit obligation is calculated by reference to future salaries of employees. An increase in salary of employees will increase the defined benefit obligation.

	<i>Note</i>	30-Jun-22 <i>Rupees</i>	30-Jun-21 <i>Rupees</i>
14 TRADE AND OTHER PAYABLES			
Trade creditors		20,182,981	37,515,838
Accrued liabilities		7,779,429	14,954,367
Advances from customers		47,124,982	48,090,010
Workers' Welfare Fund	14.1	40,191	40,191
Sales tax payable		1,494,147	5,945,774
Tax deducted at source		3,291,644	4,758,684
		79,913,374	111,304,864

14.1 Workers' Welfare Fund

As at beginning of the year		40,191	-
Recognized during the year		-	40,191
As at end of the year		40,191	40,191

15 ACCRUED INTEREST

As at beginning of the year		-	-
Recognized during the year	33	11,085,919	10,896,445
Transferred to deferred interest	11	(11,085,919)	(10,896,445)
As at end of the year		-	-

16 SHORT TERM BORROWINGS

These represent temporary loans obtained from related parties and are unsecured and interest free. Details are as

	<i>Note</i>	30-Jun-22 <i>Rupees</i>	30-Jun-21 <i>Rupees</i>
As at beginning of the year		61,165,447	61,810,565
Obtained during the year		33,024,106	24,539,411
Repaid during the year		(20,871,564)	(25,184,529)
As at end of the year		73,317,989	61,165,447

17 CURRENT PORTION OF NON-CURRENT LIABILITIES

Long term finances	10	-	8,700,000
Long term payables	12	-	5,671,980
		-	14,371,980

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 In September 2014, the Federal Government promulgated Gas Infrastructure Development Cess ['GIDC'] Ordinance No. VI of 2014 to circumvent earlier decision of the Supreme Court of Pakistan ['the SCP'] on the subject, where it had up held that the earlier introduction of GIDC Act 2011 was unconstitutional and ultra vires on the ground, amongst others, that GIDC was a 'Fee' and not a 'Tax' and the same suit was also filed against Federation of Pakistan, OGRA, SSGC and SNGPL in different Honorable High Courts of Pakistan by Industry at Large. In May 2015, the Government passed the GIDC Act, 2015 and the same was challenged vide a writ petition in the Lahore High Court ['LHC'] including retrospective treatment of the provisions of the GIDC Act, 2015. LHC decided this suit in favor of the consumers. However, the Government filed an appeal in the SCP. The SCP has disposed off the case on 13 August 2020 and instructed the gas distribution companies to recover the outstanding amount in 24 equal installments only from those consumers who have already passed the burden of GIDC cost to their customers. However, during the year, the Company paid the entire liability under protest. The management and its legal counsel are of the view that case will be decided in favour of the

18.2 Commitments

There are no known commitments as at the reporting date.

19 PROPERTY, PLANT AND EQUIPMENT

30-Jun-22												
COST / REVALUED AMOUNTS							DEPRECIATION					Net book
As at 01-Jul-21 Rupees	Additions Rupees	Revaluation Rupees	Disposals Rupees	As at 30-Jun-22 Rupees	Rate %	As at 01-Jul-21 Rupees	For the year Rupees	Revaluation Rupees	Adjustment Rupees	As at 30-Jun-22 Rupees	As at 30-Jun-22 Rupees	value as at 30-Jun-22 Rupees
Freehold land	103,090,000	-	-	(84,305,000)	-	-	-	-	-	-	-	18,785,000
Buildings												
Factory	352,686,976	-	-	(352,686,976)	-	5	164,342,446	8,632,458	-	(172,974,904)	-	-
Colony/office block	49,550,446	-	-	(49,550,446)	-	5	23,089,146	1,212,810	-	(24,301,956)	-	-
Plant and machinery	6,729,404	-	-	(6,729,404)	-	5	554,528	77,186	-	(631,714)	-	-
Electric installations	2,921,000	-	-	(2,921,000)	-	10	445,453	61,889	-	(507,342)	-	-
Furniture and fixtures	1,221,800	-	-	(1,221,800)	-	10	326,046	22,394	-	(348,440)	-	-
Office and other equipment	1,434,555	-	-	-	-	10	969,537	46,502	-	-	1,016,039	418,516
Vehicles	7,316,960	-	-	(1,500,000)	-	20	3,254,741	560,839	-	(588,396)	3,227,184	2,589,776
	524,951,141	-	-	(498,914,626)	-		192,981,897	10,614,078	-	(199,352,752)	4,243,223	21,793,292
30-June-21												
COST / REVALUED AMOUNTS							DEPRECIATION					Net book
As at 01-Jul-20 Rupees	Additions Rupees	Revaluation Rupees	Disposals Rupees	As at 30-Jun-21 Rupees	Rate %	As at 01-Jul-20 Rupees	For the year Rupees	Revaluation Rupees	Adjustment Rupees	As at 30-Jun-21 Rupees	As at 30-Jun-21 Rupees	value as at 30-Jun-21 Rupees
Freehold land	#####	-	-	-	-	-	-	-	-	-	-	103,090,000
Buildings												
Factory	#####	-	-	-	5	154,429,576	9,912,870	-	-	164,342,446	188,344,530	
Colony/office block	49,550,446	-	-	49,550,446	5	21,696,446	1,392,700	-	-	23,089,146	26,461,300	
Plant and machinery	6,729,404	-	-	6,729,404	5	229,534	324,994	-	-	554,528	6,174,876	
Electric installations	2,921,000	-	-	2,921,000	10	170,392	275,061	-	-	445,453	2,475,547	
Furniture and fixtures	1,221,800	-	-	1,221,800	10	226,518	99,528	-	-	326,046	895,754	
Office and other equipment	1,434,555	-	-	1,434,555	10	917,868	51,669	-	-	969,537	465,018	
Vehicles	7,997,110	1,803,550	-	(2,483,700)	20	4,299,792	1,015,555	-	(2,060,606)	3,254,741	4,062,219	
	525,631,291	1,803,550	-	(2,483,700)		181,970,126	13,072,377	-	(2,060,606)	192,981,897	331,969,244	

19.1 Free hold land of the Company is located at District Sheikhpura with a total area of 14 Kanals 9 Marla (30-Jun-21: 79 Kanals 6 Marla).

19.2 Disposal of property, plant and equipment

Particulars	30-Jun-22					Mode of disposal	Particulars of buyer
	Cost Rupees	Accumulated depreciation Rupees	Net book value Rupees	Disposal proceeds Rupees	Gain/(loss) on disposal Rupees		
Freehold land							
Freehold land	56,477,720	-	56,477,720	251,772,400	195,294,680	Negotiation	Ayesha Spinning Mills Limited, Lahore.
Freehold land	27,827,280	-	27,827,280	7,750,000	(20,077,280)	Negotiation	Chaudhary Asif, Lahore.
	84,305,000	-	84,305,000	259,522,400	175,217,400		
Buildings							
Factory	352,686,976	172,974,904	179,712,072	37,902,519	(141,809,553)	Negotiation	Ayesha Spinning Mills Limited, Lahore.
Colony/office block	49,550,446	24,301,956	25,248,490	5,325,081	(19,923,409)	Negotiation	Ayesha Spinning Mills Limited, Lahore.
	402,237,422	197,276,860	204,960,562	43,227,600	(161,732,962)		
Plant and machinery							
Assets having net book value less than Rs. 500,000 each	6,729,404	631,714	6,097,690	1,249,500	(4,848,190)	Negotiation	Ahmad Nawaz, Lahore.
Electric installations							
Generator	2,500,000	434,219	2,065,781	400,000	(1,665,781)	Negotiation	Ahmad Nawaz, Lahore.
Assets having net book value less than Rs. 500,000 each	421,000	73,123	347,877	25,000	(322,877)	Negotiation	Ahmad Nawaz, Lahore.
	2,921,000	507,342	2,413,658	425,000	(1,988,658)		
Furniture and fixtures							
Assets having net book value less than Rs. 500,000 each	1,221,800	348,440	873,360	200,000	(673,360)	Negotiation	Ahmad Nawaz, Lahore.
Vehicles							
Toyota Corolla	1,500,000	588,396	911,604	2,295,000	1,383,396	Negotiation	Akhtar Rehman, Lahore.
	498,914,626	199,352,752	299,561,874	306,919,500	7,357,626		
Particulars	30-Jun-21					Mode of disposal	Particulars of buyer
	Cost Rupees	Accumulated depreciation Rupees	Net book value Rupees	Disposal proceeds Rupees	Gain/(loss) on disposal Rupees		
Vehicles							
Honda Civic	1,518,700	1,444,951	73,749	1,400,000	1,326,251	Negotiation	Haris Aslam, Lahore.
Suzuki Vitz	465,000	441,599	23,401	747,500	724,099	Negotiation	Javed Ahmed, Lahore.
SUZUKI Cultus	500,000	174,056	325,944	350,000	24,056	Negotiation	Tariq Shah, Lahore.
	2,483,700	2,060,606	423,094	2,497,500	2,074,406		
	2,483,700	2,060,606	423,094	2,497,500	2,074,406		

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees
19.3	The depreciation charge for the year has been allocated as follows:		
Cost of sales	28	10,053,239	12,056,822
Administrative expenses	30	560,839	1,015,555
		10,614,078	13,072,377

- 19.4** Most recent valuation of land, building, plant and machinery was carried out by an independent valuer Messrs Excel Services and Engineering (Private) Limited as on 30 June 2019. For basis of valuation and other fair value measurement disclosures, refer to note 44.

Had there been no revaluation, the cost, accumulated depreciation and net book value of revalued items would have

	30-Jun-22		
	Cost	Accumulated depreciation	Net book value
	Rupees	Rupees	Rupees
Freehold land	1,445,000	-	1,445,000
Buildings	-	-	-
Plant and machinery	-	-	-
Electric installation	-	-	-
	30-Jun-21		
	Cost	Accumulated depreciation	Net book value
	Rupees	Rupees	Rupees
Freehold land	5,382,168	-	5,382,168
Buildings	129,490,940	98,808,413	30,682,527
Plant and machinery	6,729,404	554,528	6,174,876
Electric installation	2,921,000	445,453	2,475,547

- 19.5** As per most recent valuation, forced sale values of freehold land is as follows:

	Rupees
Freehold land	15,967,250
	15,967,250

20 LONG TERM INVESTMENTS

These represent investments in ordinary shares of related parties. The details are as follows:

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees
Pervez Ahmed Consultancy Services Limited - Quoted			
61,550 (30-Jun-21: 61,550) ordinary shares of Rs. 10 each	20.1	-	-
Relationship: <i>associate</i>			
Ownership Interest: <i>0.03% (30-Jun-21: 0.03%)</i>			
Market value: <i>Rs. 0.86 (30-Jun-21: Rs. 1.63) per share</i>			
Pervez Ahmed Capital (Private) Limited - Unquoted			
7,727,000 (30-Jun-21: 7,727,000) ordinary shares of Rs. 10 each	20.2	69,784,205	76,666,869
Relationship: <i>associate</i>			
Ownership Interest: <i>44.88% (30-Jun-21: 44.88%)</i>			
		69,784,205	76,666,869

Annual Report June 30, 2022

- 20.1** Pervez Ahmed Consultancy Services Limited ['PACSL'] was incorporated in Pakistan on 08 June 2005 as a Single Member Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was later converted to Public Limited Company and listed on Pakistan Stock Exchanges Limited. The Company was primarily a brokerage house engaged in the shares brokerage and trading, consultancy services and underwriting. However, the Company has amended its memorandum of association to change its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

The investment has been accounted for by using equity method. Particulars of investment are as follows:

	30-Jun-22	30-Jun-21
Percentage of ownership interest	0.03	0.03
	30-Jun-22	30-Jun-21
	Rupees	Rupees
Cost of investment	3,412,243	3,412,243
Share of post acquisition losses	(1,546,218)	(1,543,471)
Share of post acquisition changes in equity	(160,258)	(160,258)
Accumulated impairment	(1,705,767)	(1,708,514)
	-	-

20.1.1 Extracts of financial statements of Pervez Ahmed Consultancy Services Limited

The assets and liabilities of Pervez Ahmed Consultancy Services Limited as at the reporting date and related revenue and profit for the year then ended based on the audited financial statements are as follows:

	30-Jun-22	30-Jun-21
	Rupees	Rupees
Non current assets	80,419,343	87,983,328
Current assets	11,023,417	10,389,573
Non current liabilities	-	-
Current liabilities	652,283,070	650,887,487
(Loss)/profit for the year	(8,325,723)	6,921,716
Share of (loss)/profit	(2,747)	2,284

- 20.2** This represents investment in ordinary shares of Pervez Ahmed Capital (Private) Limited ['PACPL'], an associate. PACPL is incorporated in Pakistan as a Private Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Company is to carry on the business of stock brokerage, underwriting and investments. The registered office of the Company is situated at 1-A/565, Block – 3, Gulshan Iqbal,

The investment has been accounted for by using equity method. Particulars of investment are as follows:

	30-Jun-22	30-Jun-21
Percentage of ownership interest	44.88	44.88
	30-Jun-22	30-Jun-21
	Rupees	Rupees
Cost of investment	85,000,000	85,000,000
Share of post acquisition losses	(15,215,795)	(8,333,131)
	69,784,205	76,666,869

20.2.1 Extracts of financial statements of Pervez Ahmed Capital (Private) Limited

The assets and liabilities of Pervez Ahmed Capital (Private) Limited as at the reporting date and related revenue and profit for the year then ended based on the audited financial statements are as follows:

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
Non current assets		17,630,209	32,361,881
Current assets		137,938,874	138,620,483
Non current liabilities		-	-
Current liabilities		110,929	153,260
(Loss)/profit for the year		(15,335,950)	14,232,605
Share of (loss)/profit		(6,882,664)	6,387,490

21 DEFERRED TAXATION

Deferred tax asset on deductible temporary differences	21.1	93,101,083	91,482,790
Deferred tax liability on taxable temporary differences	21.1	-	(58,896,106)
Net deferred tax asset		93,101,083	32,586,684

21.1 Recognized deferred liabilities and tax assets

Deferred tax liabilities and assets are attributable to the following:

	30-Jun-22			
	As at 01-Jul-21 Rupees	Recognized in profit or loss Rupees	Recognized in OCI Rupees	As at 30-Jun-22 Rupees
Deferred tax assets				
Operating fixed assets	(58,896,106)	58,989,741	-	93,635
Employees retirement benefits	730,764	(630,450)	70,435	170,749
Impairment allowance	53,354	(53,354)	-	-
Investments	496,132	1,832,373	-	2,328,505
Unused tax losses and credits	90,202,540	305,654	-	90,508,194
	32,586,684	60,443,964	70,435	93,101,083
Deferred tax liabilities	-	-	-	-
	32,586,684	60,443,964	70,435	93,101,083

	30-Jun-21			
	As at 01-Jul-20 Rupees	Recognized in profit or loss Rupees	Recognized in OCI Rupees	As at 30-Jun-21 Rupees
Deferred tax assets				
Employees retirement benefits	416,215	282,022	32,527	730,764
Impairment allowance	53,354	-	-	53,354
Investments	495,268	864	-	496,132
Unused tax losses and credits	70,893,915	19,308,625	-	90,202,540
	71,858,752	19,591,511	32,527	91,482,790
Deferred tax liabilities				
Operating fixed assets	(63,118,878)	4,222,772	-	(58,896,106)
	8,739,874	23,814,283	32,527	32,586,684

21.2 Deferred tax has been calculated at 29% (30-Jun-21: 29%) of the temporary differences as at the reporting date based on tax rates notified by the Government of Pakistan for future tax years.

Deferred tax arising from timing differences pertaining to income from investment in listed equity securities taxable as a separate block under the provisions of the Ordinance, has been calculated at 16.5% (30-Jun-21: 12.5%) of the timing differences based on tax rates notified by the Government of Pakistan for future tax years for such income.

Annual Report June 30, 2022

21.3 Unrecognized deferred tax assets

The Company has Rs. 315.938 million (30-Jun-21: Rs. 331.520 million) of tax losses and credits carried forward as at the reporting date and available to the Company for utilization against future taxable profits. Out of these, deferred tax asset has been recognized on tax losses and credits amounting to Rs. 311.963 million (30-Jun-21: Rs. 311.043 million).

Unused tax credits for which no deferred tax asset has been recognized expire as follows:

Tax year	Nature	30-Jun-22 Rupees	30-Jun-21 Rupees
2022	Tax credits	-	641,548
2023	Tax credits	1,765,989	8,973,077
2024	Tax credits	2,009,545	7,271,685
2025	Tax credits	199,260	1,765,989
2026	Tax credits	-	2,009,545
		3,974,794	20,661,844

22 LONG TERM DEPOSITS

These have been deposited with various utility companies and regulatory authorities. These are classified as 'financial assets at amortized cost' under IFRS 9 which are required to be carried at amortized cost. However, these, being held for an indefinite period with no fixed maturity date, are carried at cost as their amortized cost is impracticable to

	30-Jun-22 Rupees	30-Jun-21 Rupees
23 STOCK IN TRADE		
Raw material	2,475,574	4,138,957
Work in process	-	2,255,600
Finished goods	357,825	3,839,730
Waste	33,800	109,550
	2,867,199	10,343,837

23.1 Entire stock in trade, with exception of stock of waste, is carried at cost being lower than net realizable value.

23.2 Details of stock pledged as security are referred to in note 45 to the financial statements.

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
24 TRADE RECEIVABLES			
Gross amount due		-	183,980
Impairment allowance for expected credit losses	24.1	-	(183,980)
		-	-

24.1 Impairment allowance for expected credit losses

As at beginning of the year	183,980	183,980
Write off during the year	(183,980)	-
As at end of the year	-	183,980

25 ADVANCES AND OTHER RECEIVABLES

Advances to employees	25.1	1,151,296	2,507,684
Other receivables		29,940,983	-
		31,092,279	2,507,684

25.1 These represent advances to employees for expenses on behalf of the Company and those against salaries in accordance with the Company policy.

- 25.2 This represents payment for GIDC made to Sui Notehern Gas Pipelines Limited under protest as explained in note 12 and note 18.1.1.

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees

26 BANK BALANCES

Current accounts - local currency		662,125	765,457
Deposit/saving accounts - local currency	26.1	129,719,029	36,350
		130,381,154	801,807

- 26.1 Effective interest rate in respect of saving and deposit accounts ranges from 4.5% to 13.25% (30-Jun-21: 3.25% to 4.75%) per annum.

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees

27 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

Garments		18,001,177	152,648,600
Waste		140,900	116,790
		18,142,077	152,765,390
Discount		-	(227,309)
Sales tax		(2,201,277)	(18,568,423)
		15,940,800	133,969,658

28 COST OF SALES

Raw material consumed	28.1	4,113,482	57,658,639
Stores and spares consumed		984,612	5,696,978
Salaries, wages and benefits	28.2	9,973,234	41,327,675
Power and fuel		2,484,357	3,483,676
Rent, rates and taxes		828,226	4,925,000
Traveling and conveyance		-	1,265,741
Repair and maintenance		208,488	576,762
Insurance		-	57,317
Entertainment		-	265,563
Depreciation	19.3	10,053,239	12,056,822
Others		-	257,320
Manufacturing cost		28,645,638	127,571,493
Work in process			
As at beginning of the year		2,255,600	3,213,800
As at end of the year		-	(2,255,600)
		2,255,600	958,200
Cost of goods manufactured		30,901,238	128,529,693
Finished goods			
As at beginning of the year		3,839,730	3,906,400
As at end of the year		(357,825)	(3,839,730)
		3,481,905	66,670
Waste			
As at beginning of the year		109,550	230,380
As at end of the year		(33,800)	(109,550)
		75,750	120,830
		34,458,893	128,717,193

Annual Report June 30, 2022

		30-Jun-22	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
28.1 Raw material consumed			
As at beginning of the year		4,138,957	5,742,286
Purchased during the year		2,450,099	56,055,310
As at end of the year		(2,475,574)	(4,138,957)
		4,113,482	57,658,639
28.2	These include charge in respect of employees retirement benefits amounting to Rs. 313,282 (30-Jun-21: Rs. 1,633,578).		
	<i>Note</i>	30-Jun-22	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
29 SELLING AND DISTRIBUTION EXPENSES			
Commission		402,436	3,936,950
Advertising and sales promotion		547,963	16,435,148
Freight and forwarding		716,564	6,735,084
		1,666,963	27,107,182
30 ADMINISTRATIVE EXPENSES			
Directors' remuneration		2,850,000	4,750,000
Communication		286,233	734,944
Traveling and conveyance		-	200
Printing and stationery		197,602	179,704
Rent, rates and taxes		127,900	244,392
Legal and professional		571,913	630,000
Utilities		1,140,583	872,774
Fee and subscription		951,911	1,038,408
Auditor's remuneration	30.1	465,000	365,000
Depreciation	19.3	560,839	1,015,555
Others		21,000	20,000
		7,172,981	9,850,977
30.1 Auditor's remuneration			
Annual statutory audit		400,000	300,000
Limited scope review		50,000	50,000
Out of pocket expenses		15,000	15,000
		465,000	365,000
31 OTHER EXPENSES			
Loss on financial instruments			
Impairment allowance on long term investment	20.1	-	2,284
Other expenses			
Gas infrastructure development cess arrears		-	11,071,608
Fines and penalties		634,383	760,205
Workers Welfare Fund	14.1	-	40,191
Miscellaneous		162,377	-
		796,760	11,872,004
		796,760	11,874,288

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
32 OTHER INCOME			
Gain on financial instruments			
Return on bank deposits		233,638	12,516
Accrued interest waived-off	11	14,125,272	-
Reversal of impairment allowance on long term investment	20.1	2,747	-
		14,361,657	12,516
Other income			
Gain on disposal of property, plant and equipment	19.2	7,357,626	2,074,406
Rental income		-	12,448,825
		7,357,626	14,523,231
		21,719,283	14,535,747

33 FINANCE COST			
Interest on short term borrowings	15	11,085,919	10,896,445
Bank charges and commission		240,543	554,170
		11,326,462	11,450,615

34 PROVISION FOR TAXATION			
Current taxation for current year	34.1	199,260	2,009,545
Deferred taxation	21.1		
attributable to origination and reversal of temporary differences		(60,443,964)	(23,814,283)
attributable to changes in tax rates		-	-
		(60,443,964)	(23,814,283)
		(60,244,704)	(21,804,738)

34.1 Provision for taxation has been made under section 113 (30-Jun-2021: section 113) of the Income Tax Ordinance, 2001 [the Ordinance]. There is no relationship between tax expense and accounting profit. Accordingly, no numerical reconciliation has been presented.

34.2 Assessments for the tax years up to 2021 have either been finalized or are deemed assessments in terms of section 120(1) of the Ordinance, as per returns filed by the Company.

	Unit	30-Jun-22	30-Jun-21
35 EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED			
Loss attributable to ordinary shareholders	Rupees	28,601,897	(9,679,239)
Weighted average number of ordinary shares outstanding during the Year	of shares	83,685,631	83,685,631
Loss per share - basic and diluted	Rupees	0.34	(0.12)

There is no anti-dilutive effect on the basic loss per share of the Company.

Annual Report June 30, 2022

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
36 CASH (USED IN)/GENERATED FROM OPERATIONS			
Loss before taxation		(31,642,807)	(31,483,977)
Adjustments for non-cash and other items			
Interest on borrowings		11,085,919	11,450,615
Notional interest		6,723,068	(2,621,099)
Accrued interest waived-off		(14,125,272)	-
Gain on disposal of property, plant and equipment		(7,357,626)	(2,074,406)
Impairment allowance on long term investment		-	2,284
Reversal of impairment allowance on long term investment		(2,747)	-
Share of loss/(profit) of associates		6,885,411	(6,389,774)
Provision for employees retirement benefits		313,282	1,633,578
Depreciation		10,614,078	13,072,377
		14,136,113	15,073,575
Cash used in operations before working capital changes		(17,506,694)	(16,410,402)
Changes in working capital			
Stores and spares		517,518	43,575
Stock in trade		7,476,638	2,749,029
Advances and other receivables		(28,584,595)	(329,206)
Trade and other payables		(31,391,490)	16,781,187
Long term payables		(6,344,958)	6,344,958
		(58,326,887)	25,589,543
Cash (used in)/generated from operations		(75,833,581)	9,179,141
37 CASH AND CASH EQUIVALENTS			
Bank balances	26	130,381,154	801,807
		130,381,154	801,807
38 CHANGES FROM FINANCING CASH FLOWS			
		30-Jun-22	
		Long term finances Rupees	Short term borrowings Rupees
As at beginning of the year		105,475,762	61,165,447
Long term finances repaid		(2,000,000)	-
Long term finances settled		(103,475,762)	-
Short term borrowing obtained		-	33,024,106
Short term borrowing repaid		-	(20,871,564)
As at end of the year		-	73,317,989
		30-Jun-21	
		Long term finances Rupees	Short term borrowings Rupees
As at beginning of the year		109,975,762	61,810,565
Long term finances repaid		(4,500,000)	-
Short term borrowing obtained		-	24,539,411
Short term borrowing repaid		-	(25,184,529)
As at end of the year		105,475,762	61,165,447

39 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise sponsors of the Company, associated companies and undertakings and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. The details of Company's related parties, with whom the Company had transactions during the year or has balances outstanding as at the reporting date are as follows:

Name of related party	Nature of relationship	Basis of relationship	Aggregate %age of shareholding
Rehana Pervez Ahmed	Key management personnel	Director	6.466%
Suleman Ahmed	Key management personnel	Director	0.962%
Hassan Ibrahim	Key management personnel	Director	0.035%
Ali Pervez Ahmed	Key management personnel	Chief executive officer	4.315%
Pervez Ahmed Capital (Private) Limited	Associated company	Common directorship	0.00%
Origins	Sole proprietorship	Close family member of director	0.00%
Infinite Buying Services	Associated company	Common directorship	0.00%
D.S. Textiles Limited	Associated company	Common directorship	2.510%
Mausummery Lawn	Sole proprietorship	Close family member of director	0.00%

Transactions with sponsors are limited to provision of interest free loans to the Company and issuance of ordinary shares and those with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associates and associated undertakings and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction, with the exception of borrowings,

Details of transactions and balances with related parties is as follows:

		30-Jun-22	30-Jun-21
		Rupees	Rupees
39.1 Transactions with related parties			
Nature of relationship	Nature of transactions		
Associated companies and undertakings	Sales	1,657,990	10,168,465
	Short term borrowings obtained - net	11,897,908	6,473,965
Sponsors	Short term borrowings repaid - net	557,668	7,119,083
Key management personnel	Short-term employee benefits	2,850,000	4,750,000
39.2 Balances with related parties			
Nature of relationship	Nature of balance		
Associated companies and undertakings	Short term borrowings	52,854,817	40,956,909
Sponsors	Short term borrowings	19,650,870	20,208,538
Key management personnel	Short-term employee benefits payable	-	-

40 CONTRACTS WITH CUSTOMERS

40.1 Contract balances

The information about receivables and contract liabilities from contracts with customers is as follows:

Nature of balance	Presented in financial statements as	Note	30-Jun-22	30-Jun-21
			Rupees	Rupees
Receivables	Trade receivables	24	-	183,980
Contract liabilities	Advances from customers	14	47,124,982	48,090,010
			47,124,982	48,273,990

40.2 Changes in contract liabilities

Significant changes in contract liabilities are as follows:

	30-Jun-22	30-Jun-21
	<i>Rupees</i>	<i>Rupees</i>
As at beginning of the year	48,090,010	57,991,610
Revenue recognized against contract liability as at beginning of the year	(1,152,407)	(11,054,007)
Net increase due to cash received in excess of revenue recognized	187,379	1,152,407
As at end of the year	47,124,982	48,090,010

41 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

	Note	30-Jun-22	30-Jun-21
		<i>Rupees</i>	<i>Rupees</i>
41.1 Financial assets			
<i>Financial assets at amortized cost</i>			
Long term deposits	22	4,485,239	19,072,394
Trade receivables	24	-	183,980
Advances to employees	25	1,151,296	2,507,684
Bank balances	26	130,381,154	801,807
		136,017,689	22,565,865
41.2 Financial liabilities			
<i>Financial liabilities at amortized cost</i>			
Long term finances	10	-	105,475,762
Deferred interest	11	-	16,391,492
Long term payables	12	-	6,344,958
Trade creditors	14	20,182,981	37,515,838
Accrued liabilities	14	7,779,429	14,954,367
Unclaimed dividend		337,563	337,563
Short term borrowings	16	73,317,989	61,165,447
		101,617,962	242,185,427

42 FINANCIAL RISK EXPOSURE AND MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). These risks affect revenues, expenses and assets and liabilities of the

The Board of Directors has the overall responsibility for establishment and oversight of risk management framework. The Board of Directors has developed a risk policy that sets out fundamentals of risk management framework. The risk policy focuses on unpredictability of financial markets, the Company's exposure to risk of adverse effects thereof and objectives, policies and processes for measuring and managing such risks. The management team of the Company is responsible for administering and monitoring the financial and operational financial risk management throughout the

The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

42.1 Credit risk

Credit risk is the risk of financial loss to the Company, if the counterparty to a financial instrument fails to meet its

42.1.1 Credit risk management practices

In order to minimise credit risk, the Company has adopted a policy of only dealing with creditworthy counterparties and limiting significant exposure to any single counterparty. The Company only transacts with counterparties that have reasonably high external credit ratings. Where an external rating is not available, the Company uses an internal credit risk grading mechanism. Particularly for customers, a dedicated team responsible for the determination of credit limits uses a credit scoring system to assess the potential as well as existing customers' credit quality and assigns or updates credit limits accordingly. The ageing profile of trade receivables and individually significant balances, along with collection activities are reviewed on a regular basis. High risk customers are identified and restrictions are placed on future trading, including suspending future shipments and administering dispatches on a prepayment basis.

The Company reviews the recoverable amount of each financial asset on an individual basis at each reporting date to ensure that adequate loss allowance is made in accordance with the assessment of credit risk for each financial asset.

The Company considers a financial asset to have low credit risk when the asset has reasonably high external credit rating or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has no past due amounts or otherwise there is no significant increase in credit risk if the amounts are past due in the normal course of business based on history with the counterparty.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. This is usually the case with various customers of the Company where the Company has long standing business relationship with these customers and any amounts that are past due by more than 30 days in the normal course of business are considered 'performing' based on history with the customers. Therefore despite the foregoing, the Company considers some past due trade receivables to have low credit risk where

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant

The Company considers 'default' to have occurred when the financial asset is credit-impaired. A financial asset is considered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery.

The Company's credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has low credit risk	Trade receivables: Lifetime ECL Other assets: 12-month ECL
Doubtful	Credit risk has increased significantly since initial recognition	Lifetime ECL
In default	There is evidence indicating the assets is credit-impaired	Lifetime ECL
Write-off	There is no realistic prospect of recovery	Amount is written-off

42.1.2 Exposure to credit risk

Credit risk principally arises from debt instruments held by the Company as at the reporting date. The maximum exposure to credit risk as at the reporting date is as follows:

	Note	30-Jun-22 Rupees	30-Jun-21 Rupees
Financial assets at amortized cost			
Long term deposits	22	4,485,239	19,072,394
Trade receivables	24	-	183,980
Advances to employees	25	1,151,296	2,507,684
Bank balances	26	130,381,154	801,807
		136,017,689	22,565,865

42.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to internal credit risk grading. The credit quality of the Company's financial assets exposed to credit risk is as follows:

	Note	External rating	Internal risk grading	12-month or life-time ECL	Gross carrying amount Rupees	Loss allowance Rupees
Long term deposits	#	N/A	Performing	12-month ECL	4,485,239	-
Trade receivables	#	N/A	Performing	Lifetime ECL	-	-
Advances to employees	#	N/A	Performing	12-month ECL	1,151,296	-
Bank balances	#	A3 - A1+	N/A	12-month ECL	130,381,154	-
					136,017,689	-

(a) Long term deposits

Long term deposits comprise security deposits placed with various utility companies and regulatory authorities. These deposits are substantially perpetual in nature. Therefore, no credit risk has been associated with these financial assets and accordingly no loss allowance has been made.

(b) Trade receivables

For trade receivables, the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on trade receivables by using internal credit risk gradings. As at the reporting date, all trade receivables are considered 'performing', except for which impairment allowance has been made, as there is no significant increase in credit risk in respect of these receivables since initial recognition. The ageing analysis of trade receivables as at the reporting date is as follows:

	30-Jun-22 Rupees	30-Jun-21 Rupees
Neither past due nor impaired	-	-
Past due by upto 30 days	-	-
Past due by 31 days to 180 days	-	-
Past due by 181 days or more	-	183,980
	-	183,980

(c) Advances to employees

Advances to employees have been given against future salaries and post-employment benefits. Accordingly, these are considered to have no credit risk. Therefore, no credit risk has been associated with these financial assets and accordingly no loss allowance has been made.

(d) Bank balances

The bankers of the Company have reasonably high credit ratings as determined by various independent credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect any credit loss. Therefore, no credit risk has been associated with these financial assets and accordingly no loss allowance has been made.

42.1.4 Concentrations of credit risk

There are no significant concentrations of credit risk, except for trade receivables. The Company's nil (30-Jun-2021: nil) significant customers account for Rs. nil (30-Jun-2021: Rs. nil) of trade receivables as at the reporting date, apart from which, exposure to any single customer does not exceed 10% (30-Jun-2021: 10%) of trade receivables as at the reporting date. These significant customers have long standing business relationships with the Company and have a good payment record and accordingly non-performance by these customers is not expected.

42.1.5 Collateral held

The Company does not hold any collateral to secure its financial assets.

42.1.6 Changes in impairment allowance for expected credit losses

The changes in impairment allowance for expected credit losses are as follows:

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees
As at beginning of the year		183,980	183,980
Impairment loss on trade receivables arising from contracts with customers			
- recognized during the year	24.1	-	-
- reversed during the year	24.1	-	-
Net change in impairment allowance		-	-
Written off during the year	24.1	(183,980)	-
As at end of the year		-	183,980

42.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

42.2.1 Liquidity risk management

The Company's approach to managing liquidity risk 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 damage to the Company's reputation. The Company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational cash flows, including servicing of financial obligations. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of overall funding mix and avoidance of undue reliance on large individual customer. The Company has continued support of its sponsors and other related

42.2.2 Exposure to liquidity risk

The following presents the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The analysis have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay and includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest

	30-Jun-22				
	Carrying amount Rupees	Contractual cash flows Rupees	One year or less Rupees	One to three years Rupees	More than three years Rupees
Long term finances	-	-	-	-	-
Deferred interest	-	-	-	-	-
Long term payables	-	-	-	-	-
Trade creditors	20,182,981	20,182,981	20,182,981	-	-
Accrued liabilities	7,779,429	7,779,429	7,779,429	-	-
Unclaimed dividend	337,563	337,563	337,563	-	-
Short term borrowings	73,317,989	73,317,989	73,317,989	-	-
	101,617,962	101,617,962	101,617,962	-	-

	30-Jun-21				
	Carrying amount Rupees	Contractual cash flows Rupees	One year or less Rupees	One to three years Rupees	More than three years Rupees
Long term finances	105,475,762	143,524,593	8,700,000	42,132,694	92,691,899
Deferred interest	16,391,492	16,391,492	-	-	16,391,492
Long term payables	6,344,958	6,344,958	5,671,980	672,978	-
Trade creditors	37,515,838	37,515,838	37,515,838	-	-
Accrued liabilities	14,954,367	14,954,367	14,954,367	-	-
Unclaimed dividend	337,563	337,563	337,563	-	-
Short term borrowings	61,165,447	61,165,447	61,165,447	-	-
	235,840,469	273,889,300	122,673,215	42,132,694	109,083,391

42.3 Market risk

42.3.1 Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from transactions and resulting balances that are denominated in a currency other than functional currency. The Company is not exposed to currency risk.

42.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

(a) Interest rate risk management

The Company manages interest rate risk by analyzing its interest rate exposure on a dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points.

(b) Interest bearing financial instruments

The effective interest rates for interest bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest bearing financial instruments as at the reporting date are as follows:

	30-Jun-22	30-Jun-21
	Rupees	Rupees
Fixed rate instruments		
Financial assets	129,719,029	36,350
Financial liabilities	-	-
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	105,475,762

(c) Fair value sensitivity analysis for fixed rate instruments

The Company does not account for its fixed rate instruments at fair value

(d) Cash flow sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates as at the reporting date would have decreased profit for the year and equity as at the reporting date by Rs. nil (30-Jun-2021: Rs. 1.05 million). A decrease of 100 basis points would have had an equal but opposite effect on profit and equity. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant and ignores the impact, if any, on provision for taxation for the year.

42.3.3 Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments. The Company is not exposed to price risk.

43 CAPITAL MANAGEMENT

The objectives of the Company, while managing capital are to ensure that it continues to meet the going concern assumption, enhance shareholders' wealth and meet stakeholders' expectations. The Company's objective is to ensure its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising option of issuing right shares or, where possible, repurchasing shares, selling surplus property, plant and equipment without affecting the optimal production and operating level and regulating dividend payout. The Company monitors capital using the gearing ratio which is debt divided by total capital employed. Debt comprises long term finances, including current maturity. Total capital employed includes equity, as shown in the statement of financial position and debt.

	<i>Unit</i>	30-Jun-22	30-Jun-21
Total debt	<i>Rupees</i>	-	105,475,762
Total equity	<i>Rupees</i>	201,677,741	173,248,288
		201,677,741	278,724,050
Gearing	<i>% age</i>	0.00%	37.84%

There were no changes in the Company's approach to capital management during the year. The Company is not subject to any other externally imposed capital requirements, except those, related to maintenance of debt covenants, commonly imposed by the providers of debt finances.

44 FAIR VALUE MEASUREMENTS

The Company measures some of its assets at fair value. The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

44.1 Financial instruments measured at fair value

44.1.1 Recurring fair value measurements

There are no recurring fair value measurements as at the reporting date.

44.1.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

44.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

44.3 Assets and liabilities other than financial instruments.

44.3.1 Recurring fair value measurements

For recurring fair value measurements, the fair value hierarchy and information about how the fair values are determined is as follows:

	Level 1	Level 2	Level 3	30-Jun-22	30-Jun-21
				<i>Rupees</i>	<i>Rupees</i>
Freehold land	-	18,785,000	-	18,785,000	103,090,000
Buildings	-	-	-	-	214,805,830
Plant and machinery	-	-	-	-	6,174,876
Electric installations	-	-	-	-	2,475,547

For fair value measurements categorised into Level 2 the following information is relevant:

	Valuation technique	Significant inputs	Sensitivity
Freehold land	Market comparable approach that reflects recent transaction prices for similar properties	Estimated purchase price, including non-refundable purchase taxes and other costs directly attributable to the acquisition.	A 5% increase in estimated purchase price, including non-refundable purchase taxes and other costs directly attributable to the acquisition would result in a significant increase in fair value of buildings by Rs. 0.939 million (30-
Buildings	Cost approach that reflects the cost to the market participants to construct assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique	Estimated construction costs and other ancillary expenditure.	A 5% increase in estimated construction and other ancillary expenditure would results in a significant increase in fair value of buildings by Rs. nil (30-Jun-2021: Rs. 10.74 million).

	Valuation technique	Significant inputs	Sensitivity
Plant and machinery	Cost approach that reflects the cost to the market participants to acquire assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique	Estimated purchase price, including import duties and non-refundable purchase taxes and other costs directly attributable to the acquisition or construction, erection and installation.	A 5% increase in estimated purchase price, including import duties and non-refundable purchase taxes and other directly attributable costs would results in a significant increase in fair value of plant and machinery by Rs. nil (30-Jun-2021:
Electric installation	Cost approach that reflects the cost to the market participants to acquire assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique	Estimated purchase price, including import duties and non-refundable purchase taxes and other costs directly attributable to the acquisition or construction, erection and installation.	A 5% increase in estimated purchase price, including import duties and non-refundable purchase taxes and other directly attributable costs would results in a significant increase in fair value of electric installation by Rs. nil (30-Jun-2021:

Reconciliation of fair value measurements categorized in Level 2 is presented in note 19.

There were no transfers between fair value hierarchies during the year.

44.3.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

	30-Jun-22	30-Jun-21
	<i>Rupees</i>	<i>Rupees</i>
45 RESTRICTION ON TITLE AND ASSETS PLEDGED/MORTGAGED AS SECURITY		
Mortgages and charges		
Charge over current assets	140,000,000	318,000,000
Charge over operating fixed assets	408,000,000	840,000,000

46 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged to profit or loss in respect of chief executive, directors and executives of the Company on account of managerial remuneration, allowances and perquisites, post employment benefits and the number of such directors and executives is as follows:

	30-Jun-22		
	Chief Executive <i>Rupees</i>	Directors <i>Rupees</i>	Executives <i>Rupees</i>
Managerial remuneration	2,850,000	-	-
Allowances and perquisites	-	-	-
Post employment benefits	-	-	-
	2,850,000	-	-
Number of persons	1	-	-
	30-Jun-21		
	Chief Executive <i>Rupees</i>	Directors <i>Rupees</i>	Executives <i>Rupees</i>
Managerial remuneration	-	4,750,000	-
Allowances and perquisites	-	-	-
Post employment benefits	-	-	-
	-	4,750,000	-
Number of persons	-	2	-

47 NON-CASH FINANCING ACTIVITIES

During the year the Company entered into agreement to sell its land and building to a third party. By virtue of the agreement to sell, the long term finance obtained from Silk Bank Limited (see note 10.1) and accrued interest thereon (see note 11) were directly settled by the third party buyer. The details are as follows:

	<i>Note</i>	<i>Rupees</i>
Consideration for sale		
Land	19.2	251,772,400
Building	19.2	43,227,600
		295,000,000
Settlement of		
Long term finance	10.2	(103,475,762)
Accrued interest	11.1	(19,124,238)
		172,400,000

48 SEGMENT INFORMATION

- 48.1** The Company is a single reportable segment.
- 48.2** All non-current assets of the Company are situated in Pakistan.
- 48.3** All sales of the Company have originated from Pakistan.
- 48.4** Information about major customers

	30-Jun-22	30-Jun-21
	<i>Rupees</i>	<i>Rupees</i>
Revenue derived from Call Courier	16,335,862	142,174,675

49 SHARES IN THE COMPANY HELD BY RELATED PARTIES

Ordinary shares in the Company held by related parties, other than chief executive and directors, are as follows:

	30-Jun-22	30-Jun-21
	<i>No. of shares</i>	<i>No. of shares</i>
D.S. Textiles Limited	2,100,721	2,904,221
D.S. Apparel (Private) Limited	6,000	6,000
Ali Pervez Capital (Private) Limited	18	18
	2,106,739	2,910,239

50 PLANT CAPACITY AND ACTUAL PRODUCTION

The plant capacity is indeterminable due to multiple products involving varying processes of manufacturing and run length of order lots.

51 NUMBER OF EMPLOYEES

	30-Jun-22	30-Jun-21
Total number of employees	7	51
Average number of employees	22	57

52 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period which may require adjustment of and/or disclosure in these financial statements

53 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, subject to the appropriateness of going concern assumption, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial

54 GENERAL

Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison. However, there were no significant reclassifications during the year.



DIRECTOR



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE

D S Industries Limited
Categories of Shareholders
As At June 30, 2022

Categories	Numbers	Shares Held	Percentage
Associated Companies & Related Parties			
D.S.Textiles Limited	1	2,100,721	2.510
D.S.Apparel (Private) Limited	1	6,000	0.007
Ali Pervez Capital (Private) Limited	1	18	0.000
Mr. Pervez Ahmed	1	8,789,183	10.503
Mrs. Sara Tanwir Ahmed	1	2,725,000	3.256
Chief Executive & Directors			
Mr. Ali Pervez Ahmed - Chief Executive	1	3,610,667	4.315
Mrs. Rehana Pervez Ahmed	1	5,411,025	6.466
Mr. Hassan Ibrahim Ahmed	1	29,167	0.035
Mr. Suleman Ahmed	1	805,166	0.962
Mrs Rukhsana Khalid	1	10,000	0.012
Mr. M. Naeem Ilyas	1	1,000	0.001
Mr. Haider Ali	1	1,000	0.001
Banks, DFI and NBF	4	71,749	0.086
Insurance Companies	1	31,985	0.038
Mutual Funds	1	339,882	0.406
General Public (Local)	1,556	49,514,311	59.167
General Public (Foreign)	66	8,111,706	9.693
Joint Stock Companies	16	2,043,001	2.441
Others	2	84,050	0.100

Total

1658

83,685,631

100.000

Detail of Shareholding of 5% and above.

Shares Held

Percentage

Mr. Pervez Ahmed

8,789,183

10.503

Mrs. Rehana Pervez Ahmed - Director

5,411,025

6.466

D S Industries Limited
Pattern of Shareholding
As At June 30, 2022

Number of Shareholders	Shareholding		Total Number of Shares Held	%age
	From	To		
178	1	100	6,311	0.008
216	101	500	96,159	0.115
256	501	1,000	249,980	0.299
472	1,001	5,000	1,410,533	1.686
153	5,001	10,000	1,243,145	1.485
71	10,001	15,000	944,966	1.129
47	15,001	20,000	866,199	1.035
38	20,001	25,000	899,316	1.075
29	25,001	30,000	842,500	1.007
11	30,001	35,000	354,985	0.424
15	35,001	40,000	583,783	0.698
8	40,001	45,000	344,000	0.411
23	45,001	50,000	1,128,718	1.349
7	50,001	55,000	372,000	0.445
5	55,001	60,000	293,000	0.350
5	60,001	65,000	314,971	0.376
7	65,001	70,000	482,000	0.576
3	70,001	75,000	221,500	0.265
3	75,001	80,000	232,000	0.277
2	80,001	85,000	163,201	0.195
3	85,001	90,000	267,000	0.319
2	90,001	95,000	184,500	0.220
7	95,001	100,000	700,000	0.836
3	100,001	105,000	308,500	0.369
2	105,001	110,000	215,000	0.257
4	110,001	115,000	451,000	0.539
3	115,001	120,000	348,500	0.416
2	120,001	125,000	242,500	0.290
3	125,001	130,000	388,500	0.464
2	130,001	135,000	268,850	0.321
2	140,001	145,000	290,000	0.347
3	145,001	150,000	449,500	0.537
2	155,001	160,000	314,500	0.376
1	160,001	165,000	165,000	0.197
2	165,001	170,000	337,000	0.403
1	175,001	180,000	177,500	0.212
3	185,001	190,000	562,500	0.672
1	190,001	195,000	191,000	0.228
1	195,001	200,000	200,000	0.239
1	200,001	205,000	200,500	0.240
1	205,001	210,000	209,500	0.250
1	210,001	215,000	213,000	0.255
1	215,001	220,000	218,500	0.261
3	220,001	225,000	667,500	0.798
1	235,001	240,000	239,000	0.286
2	245,001	250,000	498,000	0.595
1	250,001	255,000	253,500	0.303
2	255,001	260,000	516,500	0.617
1	265,001	270,000	266,000	0.318
4	295,001	300,000	1,196,000	1.429
1	300,001	305,000	302,500	0.361
2	315,001	320,000	639,500	0.764
1	320,001	325,000	325,000	0.388
1	325,001	330,000	329,000	0.393
1	335,001	340,000	339,882	0.406
1	345,001	350,000	350,000	0.418
1	370,001	375,000	374,000	0.447
1	390,001	395,000	394,500	0.471
1	430,001	435,000	434,000	0.519
1	440,001	445,000	444,000	0.531
1	445,001	450,000	449,000	0.537
2	480,001	485,000	967,000	1.156
1	495,001	500,000	500,000	0.597
1	590,001	595,000	590,500	0.706
1	595,001	600,000	600,000	0.717
1	610,001	615,000	611,000	0.730
1	645,001	650,000	650,000	0.777
1	655,001	660,000	658,000	0.786
1	690,001	695,000	690,736	0.825
3	705,001	710,000	2,120,300	2.534
1	740,001	745,000	742,500	0.887
1	825,001	830,000	828,000	0.989
1	850,001	855,000	850,500	1.016
1	910,001	915,000	912,000	1.090
1	915,001	920,000	917,000	1.096
1	945,001	950,000	950,000	1.135
1	975,001	980,000	976,500	1.167
1	1,070,001	1,075,000	1,072,000	1.281
1	1,085,001	1,090,000	1,086,500	1.298
1	1,170,001	1,175,000	1,171,500	1.400
1	1,285,001	1,290,000	1,286,500	1.537
1	1,795,001	1,800,000	1,800,000	2.151
1	2,030,001	2,035,000	2,034,721	2.431
1	2,720,001	2,725,000	2,725,000	3.256
1	3,610,001	3,615,000	3,610,667	4.315
1	3,995,001	4,000,000	4,000,000	4.780
1	4,815,001	4,820,000	4,816,000	5.755
1	4,820,001	4,825,000	4,820,525	5.760
1	7,595,001	7,600,000	7,597,000	9.078
1	8,130,001	8,135,000	8,131,183	9.716

1658

83,685,631

100.000

چیرمین کا جائزہ

مجھے 30 جون 2022 کو ختم ہونے والے سال کے لیے ڈی ایس انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز کے چیرمین کی حیثیت سے سالانہ جائزہ پیش کرتے ہوئے خوشی

ہو رہی ہے۔

مجھے یہ بیان کرتے ہوئے خوشی ہو رہی ہے کہ اس مقصد کے لیے مقرر کردہ معیار کی بنیاد پر بورڈ کی مجموعی کارکردگی تسلی بخش رہی ہے۔ بورڈ کی کارکردگی کا جائزہ لینے اور کمپنی

کے مقاصد کو حاصل کرنے کے لیے تشخیصی معیار کے لازمی عناصر درج ذیل ہیں۔

1۔ قانون سازی کے نظام کی تعمیل جس میں کمپنی چلتی ہے، جس میں کمپنیز ایکٹ، 2017، پاکستان اسٹاک ایکسچینج لمیٹڈ کے لسٹنگ ریگولیشنز، میمورنڈم اینڈ آرٹیکلز آف ایسوسی

ایشن آف کمپنی شامل ہیں۔

2۔ اسٹریٹجک منصوبہ بندی کے عمل میں فعال شرکت، انٹرپرائز رسک مینجمنٹ سسٹم، پالیسی ڈویلپمنٹ، مالیاتی ڈھانچہ، مانیٹرنگ اور منظوری۔

3۔ چیف ایگزیکٹو سمیت ایگزیکٹو ڈائریکٹرز اور دیگر اہم عہدوں پر بھرتی، تشخیص، معاوضہ اور معاونت۔

4۔ موزوں ٹیکنیکل علم اور تجربہ رکھنے والے ارکان کے ساتھ بورڈ کمیٹیوں کی مناسب تشکیل۔

5۔ موجودہ بورڈ سات ممبران پر مشتمل ہے، جنہیں کمپنیز ایکٹ 2017 کے سیکشن 159 کی دفعات کے تحت 31 جنوری 2021 کو منعقدہ کمپنی کے غیر معمولی جنرل اجلاس میں

تین سال کی مدت کے لیے منتخب کیا گیا تھا۔ وسیع تجربے اور ڈائریکٹرز کا علم کے حامل اراکین پر بورڈ مشتمل ہے۔ بورڈ اپنی کمیٹیوں کے ساتھ مل کر کمپنی کے کاروبار سے متعلق تمام امور

میں مکمل طور پر شامل رہا۔

6۔ کمپنی میں اندرونی کنٹرول کا مناسب نظام قائم کرنا اور خود تشخیصی طریقہ کار یا/اور اندرونی آڈٹ سرگرمیوں کے ذریعے اس کی باقاعدہ تشخیص

7۔ بورڈ اور کمیٹیوں کے اجلاسوں میں مطلوبہ کورم کی موجودگی کو یقینی بنانا۔

میں اس موقع پر اپنے ملازمین کی انتھک کوششوں کو سراہتا ہوں اور تمام سٹیک ہولڈرز بشمول ہمارے قابل قدر صارفین، بینکوں، سپلائرز اور ٹھیکیداروں کے مسلسل تعاون اور مدد

کے لیے ان کا شکریہ ادا کرتا ہوں۔

چیرمین

لاہور،

تاریخ: 6 اکتوبر 2022ء

مجلسِ نظام کی رپورٹ

ڈی ایس اینڈسٹریز لمیٹڈ کی مجلسِ نظام 30 جون 2021ء کو ختم ہونے والے مالی سال کے لئے کمپنی کی بیلنسوں سالانہ رپورٹ بشمول کمپنی کے نظر ثانی شدہ حسابات مع ان پڑاؤ ایکٹرز اور آڈیٹرز کی

رپورٹ پیش کرتے ہوئے خوشی محسوس کرتی ہے۔

کمپنی کے مالیاتی نتائج

اس سال کے دوران Covid-19 وبائی بیماری سے عالمی معیشت کی بتدریج بحالی ٹیکسٹائل سیکٹر کے لئے اچھی علامت تھی۔ تاہم، کپاس اور پولیسٹر فائبر کی زیادہ قیمتوں، توانائی کی قیمتوں میں اضافہ اور

مارک اپ کی شرحوں میں اضافہ کے بادل چھائے رہے۔

اس سال کے دوران، کمپنی نے 15.94 ملین روپے کی خالص آمدنی کمائی جبکہ پچھلے سال کی اسی مدت میں 133.97 ملین روپے تھی جو کہ مجموعی طور پر تقریباً 88 فیصد کم ہوئی جس کی بنیادی وجہ پیداوار

میں کمی ہے۔ کمپنی نے کافی ورکنگ کپٹل کو برقرار رکھنے میں ناکامی کی وجہ سے، سال کے دوران پیداوار اور فروخت میں سخت کمی دیکھی ہے۔ بینک نے کمپنی کو قرضہ فراہم نہیں کیا اور نہ ہی قرض کی کسی لائن کی ضمانت دی

جس نے ناکافی خالص ورکنگ کپٹل میں حصہ ڈالا۔

"سال کے دوران کمپنی نے قرض دہندگان کی واجبات کو پورا کرنے کے لیے 303 ملین روپے مالیت کی اپنی زمین اور عمارت فروخت کر دی۔ کمپنی کو ان غیر موجودہ اثاثوں کو لیکویڈ کرنا پڑا کیونکہ ڈی ایس

انڈسٹریز لمیٹڈ پہلے ہی اپنے قرضوں پر نادمہندہ ہے اور واجبات کو پورا کرنے میں ناکامی کی وجہ سے کمپنی کے لیے سنگین اثرات مرتب ہوئے، یعنی ممکنہ قانونی چارہ جوئی۔

فیصلہ سازی کے عمل کے دوران ڈائریکٹرز کو متعلقہ اسٹیک ہولڈرز پر فیصلوں کے اثرات اور ان اسٹیک ہولڈرز کے ساتھ ہونے والی الجھنٹ سے آگاہ کیا جاتا ہے جہاں قابل اطلاق ہو۔

آڈیٹرز نے مؤثر ٹیکس اثاثوں کی شناخت کے حوالے سے اپنی رپورٹ کو اہل قرار دیا ہے۔ کمپنی نے مؤثر ٹیکس اثاثہ کو بجا طور پر تسلیم کیا کیونکہ اسے مستقبل میں منافع کی توقع ہے۔

مستقبل کا نقطہ نظر

اس وقت ملک کو تباہ کن سیلابوں کا سامنا ہے جس نے کپاس کی فصل کا نمایاں حصہ تباہ کر دیا ہے۔ اس لیے مالی سال 2022-23 کے دوران خام مال کی دستیابی تشویش کا ایک بڑا سبب ہوگی۔ اس طرح

کی صورتحال سے ہماری پیداواری لاگت میں اضافہ متوقع ہے جس سے ہمارے منافع پر منفی اثر پڑ سکتا ہے۔ سب سے اہم چیلنجوں میں عالمی طلب میں کمی، روپے کی قدر میں تیزی سے کمی، حالیہ سیلاب کی وجہ سے

کپاس کی فصل میں کمی اور اجناس کی قیمتوں میں تیزی سے اضافہ، زیادہ مہنگائی اور ملک میں قرضوں کی بلند شرح شامل ہیں۔

منافع منقسمہ

موجودہ سال میں منفی نتائج اور دستیاب مجموعی نقصانات کے مد نظر، آپ کی کمپنی کے ڈائریکٹرز نے سال کے لئے کسی منافع منقسمہ کی تجویز نہیں دی ہے۔

کتابوں کی بندش

کمپنی کی حصص منتقلی کتابیں 24 اکتوبر 2022ء تا 28 اکتوبر 2022ء (بشمول دونوں ایام) بند رہیں گی اور اس دوران رجسٹریشن کے لئے حصص کی کوئی منتقلی قابل قبول نہیں ہوگی۔ 21 اکتوبر 2022ء کو

کاروبار کے اختتام تک ہمارے شیئرز رجسٹرار، میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، C-32، جاجی کرشل، سٹریٹ 2، ڈی ایچ اے فیز VII، کراچی کو موصول ہونے والی منتقلیاں اجلاس میں شرکت اور حق

رائے دہی کے لئے قابل قبول ہوگی۔

نمونہ حصص داری

30 جون 2022ء کے مطابق نمونہ حصص داری کا بیان مع کمپنی کے حصص یافتگان کی کیلنگریز اس رپورٹ کے ہمراہ منسلک ہیں۔

کمپنی کے حصص کی تجارت

30 جون 2022ء کو ختم ہونے والے سال کے دوران ڈی ایس انڈسٹریز لمیٹڈ کے اسٹاک میں درج ذیل ڈائریکٹرز نے تجارت کی اور اسٹاک ایکسچینج کو مطلع کیا گیا:

نام ڈائریکٹرز اور ان کے شریک حیات	ٹرانزیکشن کی قسم	حصص کی تعداد
محترمہ ریحانہ پرویز احمد	فروخت	6,600,000
جناب حسن ابراہیم احمد	خرید	2,350,000
جناب حسن ابراہیم احمد	فروخت	2,350,000
جناب سلیمان احمد	خرید	742,500
محترمہ سارہ تنویر احمد زوجہ جناب حسن ابراہیم احمد	خرید	2,725,000

آپریٹنگ اور مالیاتی اعداد و شمار

گزشتہ چھ سالوں کے لئے آپریٹنگ اور مالیاتی اعداد و شمار مع کلیدی تناسب منسلک ہیں۔

بورڈ کے منعقدہ اجلاسوں کی تعداد

30 جون 2022ء کو ختم ہونے والے سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے اور ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

نام	عہدہ	تعداد حاضری
جناب علی پرویز احمد	چیف ایگزیکٹو	4
جناب علی پرویز احمد (بطور ڈائریکٹر)	ڈائریکٹر	1
محترمہ ریحانہ پرویز احمد	ڈائریکٹر	4
جناب حسن ابراہیم احمد	ڈائریکٹر	1
جناب سلیمان احمد	ڈائریکٹر	5
جناب نعیم الیاس	ڈائریکٹر	4
جناب حیدر علی	ڈائریکٹر	5
محترمہ رخسانہ خالد	ڈائریکٹر	4

اخلاقیات اور کاروباری طریقوں کا بیان

بورڈ نے کمپنی کے ساتھ منسلکہ یا کاروبار کرنے والے ہر ایک شخص سے متعلقہ ضابطہ اخلاق کے معیارات کو پیشگی سمجھنے کے اعتراف کے طور پر کمپنی کے ہر ایک ڈائریکٹر اور ملازم کی طرف سے دستخط شدہ

اخلاقیات اور کاروباری طریقوں کا بیان تیار اور جاری کیا ہے۔

آڈیٹرز

آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور اہل ہونے کی بنا پر خود کو دوبارہ تقرری کے لئے اپنے آپ کو پیش کرتے ہیں۔ بورڈ کی آڈٹ کمیٹی نے 30 جون

2023ء کو ختم ہونے والے مالی سال کے لئے بطور آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق، چارٹرڈ اکاؤنٹنٹس کو دوبارہ مقرر کرنے کی سفارش کی ہے۔

آڈٹ کمیٹی

کارپوریٹ گورننس کے ضابطہء اخلاق کی تعمیل میں آڈٹ کمیٹی تشکیل دی گئی ہے اور مندرجہ ذیل اراکین پر مشتمل ہے:

نام	عہدہ
جناب ایم نعیم الیاس	چیئر مین
جناب حیدر علی	رکن
محترمہ رخسانہ خالد	رکن

سہ ماہی اور سالانہ حسابات کے جائزہ اور دیگر متعلقہ معاملات کے لئے کارپوریٹ گورننس کے ضابطہء اخلاق کے تحت درکار 30 جون 2022ء کو ختم ہونے والے سال کے دوران آڈٹ کمیٹی کے اجلاس منعقد ہوئے۔ اجلاس میں چیف فنانشل آفیسر، داخلی آڈٹ کے سربراہ اور جب ضرورت پیش آئی بیرونی آڈیٹرز نے بھی شرکت کی۔

کارپوریٹ گورننس کا ضابطہء اخلاق

کارپوریٹ گورننس کے ضابطہء اخلاق کی تعمیل میں بیان

بورڈ آف ڈائریکٹرز اور کمیٹی کارپوریٹ مینجمنٹ کے اچھے طریقوں کے اصولوں پر کاربند ہیں۔ بورڈ اور انتظامیہ اپنی ذمہ داریوں سے آگاہ ہیں اور مالی اور غیر مالی معلومات کی درستگی، جامعیت اور شفافیت کو بڑھانے کے لئے کمیٹی کی کارکردگی کی نگرانی کرتے ہیں۔ بورڈ بخوشی تصدیق کرتے ہیں کہ کمیٹی نے ہر مادی معاملات میں، لسطہ کمیٹیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں شامل بہترین طریقوں جن کی تعمیل کے ساتھ منسلک بیان میں مکمل طور پر وضاحت کی گئی ہے کے مطابق تعمیل کی ہے اور بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا ہے۔ مزید، درج ذیل بیان کرتے ہیں کہ:

- 1- کمیٹی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- 2- کمیٹی 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 ظاہر کرتے ہیں۔
- 3- 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۔
- 4- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات کی پیروی کی گئی ہے اور کسی انحراف کا واضح انکشاف کیا گیا ہے۔
- 5- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- 6- سال کے دوران کمیٹی نے 28.60 ملین روپے کا منافع درج کیا اور بیلنس شیٹ کی تاریخ تک 569.62 ملین روپے کا مجموعی نقصان اٹھایا ہے۔ کمیٹی کی موجودہ واجب ادائیگیاں اسکے موجودہ اثاثوں سے 170.7 ملین روپے تک تجاوز کر گئی ہیں۔ کمیٹی کے ٹرن اوور میں پچھلے سال سے زبردست کمی آئی ہے۔ یہ عناصر کمیٹی کے دواں دواں رہنے کی اہلیت کے بارے میں شق پیدا کر سکتے ہیں۔ تاہم، انتظامیہ کمیٹی کی مدد کے لئے مسلسل کوششیں کر رہی ہے۔
- 7- فہرستی ضابطوں میں تفصیلی کارپوریٹ گورننس کے بہترین طریقوں میں سے کسی خاطر خواہ شق سے مادی انحراف نہیں ہو رہا ہے۔
- 8- گزشتہ چھ سالوں کی مالیاتی جھلکیاں منسلک ہیں۔

اظہار تشکر

مجلسِ انتظامیہ بھرپور حمایت، مدد اور رہنمائی کے لئے اپنے قابلِ قدر حصص یافتگان، بینکوں، سیکورٹیز اینڈ ایکسچینج کمیشن اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کی شکر گزار ہے۔ بورڈ کمیٹی کے عملے اور کارکنوں کی خدمات، وفاداری اور مسلسل فراہم کی جانے والی کوششوں کو بھی سراہتا ہے۔

سلیمان احمد

ڈائریکٹر

ڈائریکٹر

علی پرویز احمد

ڈائریکٹر

چیف ایگزیکٹو

منجانب بورڈ

تاریخ: 6 اکتوبر 2022ء

تبدیلی کی اطلاع فوری طور پر شیئرز رجسٹرار، میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ،
پلاٹ نمبر 32-سی، جامی کمرشل، اسٹریٹ نمبر 2، ڈی ایچ اے فیز VII، کراچی کو دیں۔

ڈی ایس اینڈسٹریز لمیٹڈ

اطلاع سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ ڈی ایس اینڈسٹریز لمیٹڈ کا بیالیسواں سالانہ اجلاس عام بروز جمعہ
28 اکتوبر 2022ء، سہ پہر 04:00 بجے کمپنی کے رجسٹرڈ دفتر K-20، گلبرگ II، لاہور
پر درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

- 1۔ 30 جون 2022ء کو ختم ہونے والے سال کے لئے کمپنی کے نظر ثانی شدہ حسابات معائنہ پر
ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری دینا۔
- 2۔ 30 جون 2023ء کو ختم ہونے والے سال کے لئے کمپنی کے قانونی آڈیٹرز کا تقرر اور ان
کے مشاہرہ کا تعین کرنا۔ موجودہ آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق چارٹرڈ اکاؤنٹنٹس،
ریٹائر ہو گئے اور اہل ہونے کی بناء پر دوبارہ تقرری کے لئے اپنے آپ کو پیش کرتے ہیں۔

لاہور

106 اکتوبر 2022ء

بحکم بورڈ

سلمان فاروق

کمپنی سیکرٹری

نوٹ:-

- I۔ کمپنی کی حصص منتقلی کتابیں 24 اکتوبر 2022ء تا 28 اکتوبر 2022ء (بشمول ہر دو ایام)
سالانہ اجلاس عام میں شرکت کے حقوق کے تعین کے لئے بند رہیں گی۔
- II۔ اجلاس ہذا میں شرکت اور ووٹ دینے کا کمپنی کا اہل ممبر کسی دیگر ممبر کو اپنی بجائے شرکت اور
ووٹ دینے کیلئے اپنا/اپنی پر کسی مقرر کرنے کا مستحق ہوگا/ہوگی۔
- III۔ پراکسیز کمپنی کے رجسٹرڈ دفتر پر اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل لازماً جمع کرائی
جانی چاہئیں۔
- IV۔ لاہور کے علاوہ کسی اور شہر میں رہائش پذیر 10% یا اس سے زیادہ شیئرز ہولڈنگ رکھنے
والے ممبر سالانہ جنرل اجلاس میں شرکت کے لیے ویڈیو لنک کی سہولت کا مطالبہ کر سکتے ہیں۔
- V۔ شیئرز ہولڈرز سے یہ بھی درخواست کی جاتی ہے کہ وہ اپنے رابطہ کی تفصیلات میں کسی بھی

FORM OF PROXY Annual General Meeting

**The Company Secretary
D S Industries Limited
20-K, Gulberg II,
Lahore.**

Dear Sir,

I/We ----- of (full address) ----- being a member(s) of D S Industries Limited holding ----- Ordinary Shares as per Registered Folio No. / CDC A/c No ----- hereby appoint Mr./ Mrs./ Miss ----- of (full address) ----- or failing him / her Mr./ Mrs./ Miss ----- of (full address) ----- being member of the Company as my/our Proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 28, 2022

Signed this ----- day of ----- 2022

Witnesses:

Signature	_____	_____
Name	_____	_____
Address	_____	_____
CNIC No	_____	_____

Fifty
Rupees
Revenue
Stamp

Signature should be agreed with the
Specimen Signatures with the
Company

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy to attend and vote instead of him/her.
 2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his constituted attorney or if such appointer is a corporation or company under the common seal of such corporation or company.
 3. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- The Proxy Form, duly completed, must be deposited with the Company Secretary of D S Industries Limited, 20 – K Gulberg II Lahore not less than 48 hours before the time for holding the meeting.

Registered Office: | 20-K Gulberg II, Lahore.

| Ph: (042) 3575 9621, 3575 9464, 3571 4810

| Fax: (042) 3571 0312