

1st Quarter Accounts
for the Period Ended
September 30, 2022

D S INDUSTRIES LIMITED



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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	

DIRECTORS' REPORT

The Board of Directors of D S Industries Limited is pleased to present the Company's un-audited financial statements for the first quarter ended September 30, 2022.

Financial Results of the Company

The Company reported net sales of Rs. 736,607 and a gross loss of Rs. 39,232 during the quarter under review as opposed to net sales of Rs. 12,111,741 and a gross loss of Rs. 4,563,620 in the same quarter the previous year. In the same quarter of the previous year, there was a net loss after taxes of Rs. 13,288,285 as opposed to a net profit after taxes of Rs. 827,023 this quarter. In comparison to the same period last year, when there was a loss per share of Rs. (0.16), the earning per share for the three months ended September 30, 2022, was recorded at Rs. 0.01. The Company succeeded in reducing both direct and indirect business costs during the quarter that ended on September 30, 2022, which led to a good closing of the bottom line. The management is also certain that there will be a notable increase in topline in the upcoming term, which will also have an effect on bottom line as well.

Future Outlook

Local businesses are experiencing instability and uncertainty due to unfavourable economic conditions like growing inflation and high energy costs. If the inflation rate is not brought under control, it could cause the country's economic growth to slow down and have a significant negative impact on economic activity. Additionally, now is the moment for policymakers to adopt a long-term perspective so that businesses may plan for the future.

Acknowledgement

The Board is thankful to its valued shareholders for their confidence in the Company, its customers, the Securities & Exchange Commission of Pakistan and to the management of Pakistan Stock Exchange Limited for their valuable support, assistance and guidance. The Board also appreciates the employees of the Company for their dedication and hard work.

For & on behalf of the Board



Suleman Ahmed
Director



Ali Pervez Ahmed
Chief Executive

Lahore
October 27, 2022

D.S. INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

	Note	Sep. 30, 2022 (Un-Audited) Rupees	June 30, 2022 (Audited) Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital 100,000,000 (2022:100,000,000) ordinary shares of Rs. 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital		836,856,310	836,856,310
Discount on issue of shares		(82,899,709)	(82,899,709)
Surplus on revaluation of property, plant and equipment		17,340,002	17,340,002
Accumulated losses		(568,795,940)	(569,622,963)
		202,500,663	201,673,640
Non Current Liabilities			
Employees retirement benefits		510,491	592,891
Current Liabilities			
Trade and other payables		70,810,065	79,913,374
Unclaimed dividend		337,563	337,563
Short term borrowings		58,373,403	73,317,989
Provision for taxation		212,810	199,260
		129,733,841	153,768,186
Contingencies and Commitments			
	4	-	-
		332,744,995	356,034,717
ASSETS			
Non-Current Assets			
Property, plant & equipments	5	21,653,340	21,793,292
Long term investments		69,572,215	69,784,205
Deferred taxation		93,101,083	93,101,083
Long term deposits		4,485,239	4,485,239
		188,811,877	189,163,819
Current Assets			
Stores, spares & loose tools		345,746	361,346
Stock in trade		4,609,594	2,867,199
Advances, prepayments & other receivables		31,292,762	31,092,279
Advance income tax		2,505,694	2,168,920
Bank balances		105,179,322	130,381,154
		143,933,118	166,870,898
		332,744,995	356,034,717

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



DIRECTOR



CHIEF FINANCIAL OFFICER



Chief Executive

D.S. INDUSTRIES LIMITED**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

		July 1 to September 30 2022	July 1 to September 30 2021
	Note	(Un-Audited) Rupees	(Un-Audited) Rupees
Sales - <i>net</i>		736,607	12,111,741
Cost of sales	6	(775,839)	(16,675,361)
Gross (loss)		(39,232)	(4,563,620)
Selling and distribution expenses		(60,518)	(1,312,360)
Administrative and general expenses		(1,953,216)	(1,739,155)
Other expenses		-	(108,791)
		(2,013,734)	(3,160,306)
		(2,052,966)	(7,723,926)
Other income		3,307,538	-
Operating profit/(loss)		1,254,572	(7,723,926)
Finance charges		(2,749)	(3,104,791)
Share of (loss) of associate		(211,990)	(2,308,171)
Profit/(loss) before taxation		1,039,833	(13,136,888)
Taxation		(212,810)	(151,397)
Profit/(loss) after taxation		827,023	(13,288,285)
Earning/(loss) per share - <i>basic and diluted</i>		0.01	(0.16)

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


DIRECTOR

CHIEF FINANCIAL OFFICER

Chief Executive

D.S. INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	July 1 to September 30 2022 (Un-Audited) Rupees	July 1 to September 30 2021 (Un-Audited) Rupees
Profit/(loss) after taxation	827,023	(13,288,285)
Deferred tax adjustment on surplus on revaluation of property, plant and equipment attributable to change in tax rates	-	-
Total comprehensive income/(loss) for the quarter	827,023	(13,288,285)

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



DIRECTOR



CHIEF FINANCIAL OFFICER



Chief Executive

D.S. INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	July 1 to September 30 2022 (Un-Audited) Rupees	July 1 to September 30 2021 (Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	1,039,833	(13,136,888)
Adjustments for:		
- Interest/markup on borrowings	-	2,977,500
- Share loss of associate	211,990	2,308,171
- Depreciation for the period	139,952	3,061,278
	351,942	8,346,949
Operating profit before working capital changes	1,391,775	(4,789,939)
(Increase)/decrease in current assets		
- Stores, spares and loose tools	15,600	30,000
- Stock in trade	(1,742,395)	4,804,659
- Advances, prepayments and other receivables	(537,257)	2,340,600
Increase/(decrease) in trade payables		
- Trade & other payable	(9,103,309)	(3,285,506)
	(11,367,361)	3,889,753
Cash Flow From Operating Activities	(9,975,586)	(900,186)
Payments for:		
- Employees retirement benefits	(82,400)	(699,478)
- Income tax	(199,260)	-
	(281,660)	(699,478)
Net Cash used in Operating Activities	(10,257,246)	(1,599,664)
Cash Flow From Investing Activities		
- Capital expenditure	-	-
- Proceed from disposal of property, plant & equipments	-	-
Net Cash Generated from Investing Activities	-	-
Cash Flow From Financing Activities		
- Repayment of long term financing	-	(2,100,000)
- Net (payment)/receipt in short term borrowings	(14,944,586)	3,948,084
Net Cash Generated from Financing Activities	(14,944,586)	1,848,084
Net Increase / (decrease) in Cash & Cash Equivalents	(25,201,832)	248,420
Cash and cash equivalents at the beginning of the period	130,381,154	801,807
Cash and Cash Equivalents at the End of the period	105,179,322	1,050,227

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



DIRECTOR



CHIEF FINANCIAL OFFICER



Chief Executive

D.S. INDUSTRIES LIMITED**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Share Capital	Discount on Issue of Shares	Surplus on Revaluation of Property, Plant & Equipments	Un-Appropriated (Loss)	Total Equity
	Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)
Balance as at July 1, 2021	836,856,310	(82,899,709)	228,435,379	(809,147,793)	173,244,187
(Loss) for the period	-	-	-	(13,288,285)	(13,288,285)
Balance as at September 30, 2021	<u>836,856,310</u>	<u>(82,899,709)</u>	<u>228,435,379</u>	<u>(822,436,078)</u>	<u>159,955,902</u>
Balance as at July 1, 2022	836,856,310	(82,899,709)	17,340,002	(569,622,963)	201,673,640
Profit for the period	-	-	-	827,023	827,023
Balance as at September 30, 2022	<u>836,856,310</u>	<u>(82,899,709)</u>	<u>17,340,002</u>	<u>(568,795,940)</u>	<u>202,500,663</u>

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


DIRECTOR

CHIEF FINANCIAL OFFICER

Chief Executive

D.S. INDUSTRIES LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM UN-AUDITED FINANCIAL
STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Note 1

The Company and its Operations

LEGAL STATUS AND OPERATIONS

D.S. Industries Limited ['the Company'] is 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 & sale of textile goods. The registered office of the Company is situated at 20-K, Gulberg II, Lahore.

Note 2

Basis of Preparation

These accounts have been prepared in accordance with the requirements of the Companies Act, 2017 and International accounting Standard, IAS 34 "Interim Financial Reporting."

This condensed interim financial statements should be read in conjunction with annual audited financial statements for the year ended June 30, 2022. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2022 whereas comparative profit or loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are stated from unaudited interim financial statements for the quarter ended on September 30, 2021.

Note 3

Accounting Policies

The accounting policies and methods of computation followed in the preparation of these financial statements are the same as those of the published in the annual financial statements of the Company for the year ended June 30,2022.

Note 4

Contingencies and Commitments

Contingencies

There are no known contingencies as at the reporting date.

Commitments

There are no known commitments as at the reporting date.

Note 5

Property, plant & equipments

	September 30, 2022 (Un-Audited) Rupees	June 30, 2022 (Audited) Rupees
Opening written down value	21,793,292	331,969,244
Additions during the period/year	-	-
	21,793,292	331,969,244
Disposals during the period/year	-	(498,914,626)
Adjustments	-	199,352,752
Depreciation charge for the period	(139,952)	(10,614,078)
	21,653,340	21,793,292

1st Quarter Accounts September 30, 2022

Note 6	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
Cost of Sales	(Un-Audited) Rupees	(Un-Audited) Rupees
Raw material consumed	1,037,170	3,135,311
Stores & accessories consumed	402,960	498,596
Salaries, wages & benefits	1,281,384	5,320,335
Fuel & power	-	617,311
Repair & maintenance	-	169,888
Travelling & conveyance	-	248,131
Rent, rates & taxes	-	605,000
Depreciation	-	2,858,167
Others	-	74,717
	2,721,514	13,527,456
Work-in-process		
At the beginning of the period	-	2,255,600
At the end of the period	(263,000)	(752,000)
	(263,000)	1,503,600
Finished goods		
At the beginning of the period	391,625	3,949,280
At the end of the period	(2,074,300)	(2,304,975)
	(1,682,675)	1,644,305
	775,839	16,675,361

Note 7

Transactions with Related Parties

The related parties comprises related group companies, associated companies, directors and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment.

	July 1 to September 30, 2022	July 1 to September 30, 2021
	(Un-Audited) Rupees	(Un-Audited) Rupees
Loan received from/(repaid to) directors & associates - Net	(14,944,586)	3,948,084

Note 8

Authorization of Financial Statements

These interim financial statements have been authorized for issue on October 27, 2022 by the Board of Directors of the Company.

Note 9

General

Figures have been rounded off to the nearest rupees.

Figures of the corresponding period have been re-arranged , wherever necessary, to facilitate comparison. No material rearrangement has been made during the period.



DIRECTOR



CHIEF FINANCIAL OFFICER



Chief Executive

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