



1st Quarter Accounts
for the Period Ended
September 30, 2021

D S INDUSTRIES LIMITED

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Company Information

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mr. Ali Pervez 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
Chief Financial Officer	Mr. M. 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 Bank Alfalah Limited Bank AlHabib Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited Meezan Bank Limited Silk 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	
Mills	11th KM Sheikhpura Faisalabad Road, Sheikhpura	
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, 2021.

Financial Results of the Company

During the quarter under review, the Company has recorded a net sales of Rs. 12.11 million and a gross loss of Rs. 4.56 million as compared with a net sales of Rs. 31.90 million and gross profit of Rs. 2.08 million in the corresponding quarter of the last year. Net loss after tax recorded at Rs. 13.29 million as compared to a net loss after tax of Rs. 2.09 million in the corresponding quarter of the last year. The loss per share for the quarter ended September 30, 2021, recorded at Rs. 0.16 as compared to a loss per share of Rs. 0.02 for the same period of last year.

Future Outlook

Instability and uncertainty are prevailing in the local businesses backed by adverse economic circumstances, such as rising inflation and high oil prices. The inflation rate is increasing gradually, and if not controlled this could result in the increase of the policy rate, which could seriously affect the economic activities. Further, it is the time that the policymakers start thinking long term so that businesses can plan over long term horizons.

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.

Lahore
October 29, 2021

For & on behalf of the Board


Ali Pervez Ahmed
Director


Suleman Ahmed
Director

D.S. INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	Sep. 30,2021 (Un-Audited) Rupees	June 30,2021 (Audited) Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital		1,000,000,000	1,000,000,000
100,000,000 (2021:100,000,000) ordinary shares of Rs. 10 each			
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		228,435,379	228,435,379
Accumulated losses		(822,436,078)	(809,147,793)
		159,955,902	173,244,187
Non Current Liabilities			
Long term finances		94,675,762	96,775,762
Deferred interest		19,368,992	16,391,492
Long term payable		-	672,978
Employees retirement benefits		1,820,399	2,519,877
		115,865,153	116,360,109
Current Liabilities			
Trade and other payables		110,846,898	113,314,409
Unclaimed dividend		337,563	337,563
Short term borrowings		65,113,531	61,165,447
Current portion of non-current liabilities		14,226,963	14,371,980
Provision for taxation		151,397	-
		190,676,352	189,189,399
Contingencies and Commitments	4	-	-
		466,497,407	478,793,695
ASSETS			
Non-Current Assets			
Property, plant & equipments	5	328,907,966	331,969,244
Long term investments		74,358,698	76,666,869
Deferred taxation		32,586,684	32,586,684
Long term deposits		19,072,394	19,072,394
		454,925,742	460,295,191
Current Assets			
Stores, spares & loose tools		848,864	878,864
Stock in trade		5,539,178	10,343,837
Advances, prepayments & other receivables		2,078,109	2,507,684
Advance income tax		2,055,287	3,966,312
Bank balances		1,050,227	801,807
		11,571,665	18,498,504
		466,497,407	478,793,695

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



DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR

D.S. INDUSTRIES LIMITED
CONDENSED INTERIM PROFIT OR LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	July 1 to September 30 2021 (Un-Audited) Rupees	July 1 to September 30 2020 (Un-Audited) Rupees
Sales - net		12,111,741	31,904,883
Cost of sales	6	(16,675,361)	(29,822,586)
Gross (Loss)/profit		(4,563,620)	2,082,297
Selling and distribution expenses		(1,312,360)	(7,181,276)
Administrative and general expenses		(1,739,155)	(3,101,856)
Other expenses		(108,791)	(91,173)
		(3,160,306)	(10,374,305)
		(7,723,926)	(8,292,008)
Other income		-	5,428,480
Operating (loss)		(7,723,926)	(2,863,528)
Finance charges		(3,104,791)	(2,281,307)
Share of (loss)/profit of associates		(2,308,171)	3,536,134
(Loss) before taxation		(13,136,888)	(1,608,701)
Taxation		(151,397)	(478,573)
(Loss) after taxation		(13,288,285)	(2,087,274)
(Loss) per share - basic and diluted		(0.16)	(0.02)

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DIRECTOR



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DIRECTOR

D.S. INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	July 1 to September 30 2021 (Un-Audited) Rupees	July 1 to September 30 2020 (Un-Audited) Rupees
(Loss) after taxation	(13,288,285)	(2,087,274)
Deferred tax adjustment on surplus on revaluation of property, plant and equipment attributable to change in tax rates	-	-
Total comprehensive (loss) for the quarter	<u><u>(13,288,285)</u></u>	<u><u>(2,087,274)</u></u>

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



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D.S. INDUSTRIES LIMITED**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	July 1 to September 30 2021 (Un-Audited) Rupees	July 1 to September 30 2020 (Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(13,136,888)	(1,608,701)
Adjustments for:		
- Interest/markup on borrowings	2,977,500	2,272,720
- Share (profit) / loss of associate	2,308,171	(3,536,134)
- Depreciation for the period	3,061,278	3,125,166
	<u>8,346,949</u>	<u>1,861,752</u>
Operating profit before working capital changes	(4,789,939)	253,051
Increase / decrease in current assets		
- Stores, spares and loose tools	30,000	29,350
- Stock in trade	4,804,659	(549,533)
- Advances, prepayments and other receivables	2,340,600	(106,425)
- Trade & other payable	(3,285,506)	5,900,741
	<u>3,889,753</u>	<u>5,274,133</u>
Cash Flow From Operating Activities	(900,186)	5,527,184
Payments for:		
- Employees retirement benefits	(699,478)	(20,000)
- Income tax	-	(1,765,989)
	<u>(699,478)</u>	<u>(1,785,989)</u>
Net Cash used in Operating Activities	(1,599,664)	3,741,195
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)	(1,000,000)
- Net (payment) receipt in short term borrowings	3,948,084	(2,316,037)
Net Cash Generated from Financing Activities	1,848,084	(3,316,037)
Net Increase / (decrease) in Cash & Cash Equivalents	248,420	425,158
Cash and cash equivalents at the beginning of the period	801,807	733,806
Cash and Cash Equivalents at the End of the period	<u>1,050,227</u>	<u>1,158,964</u>

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


DIRECTOR

CHIEF FINANCIAL OFFICER

DIRECTOR

D.S. INDUSTRIES LIMITED**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	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, 2020	836,856,310	(82,899,709)	235,315,776	(806,269,317)	183,003,060
Profit for the period	-	-	-	(2,087,274)	(2,087,274)
Balance as at September 30, 2020	<u>836,856,310</u>	<u>(82,899,709)</u>	<u>235,315,776</u>	<u>(808,356,591)</u>	<u>180,915,786</u>
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>

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



DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR

D.S. INDUSTRIES LIMITEDSELECTED NOTES TO THE CONDENSED INTERIM UN-AUDITED FINANCIAL
STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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. The manufacturing facility is located at 11 KM, Sheikhpura Faisalabad Road, Sheikhpura, in the Province of Punjab.

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, 2021. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2021 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, 2020.

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, 2021.

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, 2021 (Un-Audited) Rupees	June 30, 2021 (Un-Audited) Rupees
Opening written down value	331,969,244	343,661,165
Additions during the period/year	-	1,803,550
	331,969,244	345,464,715
Disposals during the period/year	-	(2,483,700)
Adjustments	-	2,060,606
Depreciation charge for the period	(3,061,278)	(13,072,377)
	328,907,966	331,969,244

1st Quarter Accounts September 30, 2021

Note 6 Cost of Sales	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	(Un-Audited)	(Un-Audited)
	Rupees	Rupees
Raw material consumed	3,135,311	13,789,092
Stores & accessories consumed	498,596	1,147,795
Salaries, wages & benefits	5,320,335	9,228,439
Fuel & power	617,311	1,082,010
Repair & maintenance	169,888	27,935
Travelling & conveyance	248,131	-
Rent, rates & taxes	605,000	1,275,000
Depreciation	2,858,167	2,940,300
Others	74,717	-
	<u>13,527,456</u>	<u>29,490,571</u>
Work-in-process		
At the beginning of the period	2,255,600	3,213,800
At the end of the period	(752,000)	(3,678,870)
	1,503,600	(465,070)
Finished goods		
At the beginning of the period	3,949,280	5,310,417
At the end of the period	(2,304,975)	(4,513,332)
	1,644,305	797,085
	<u>16,675,361</u>	<u>29,822,586</u>

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, 2021 (Un-Audited) Rupees	July 1 to September 30, 2020 (Un-Audited) Rupees
Loan received from/(repaid to) directors & associates - Net	3,948,084	(2,316,037)

Note 8

Authorization of Financial Statements

These interim financial statements have been authorized for issue on October 29, 2021 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



DIRECTOR



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

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

| Fax: (042) 3571 0312