



**Third Quarter Accounts**  
for the Period Ended  
**March 31, 2022**

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**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 Mrs. Rehana Pervez Ahmed Mrs. Rukhsana Khalid	Chairman
HR & Remuneration Committee	Mr. Suleman Ahmed Mr. M Naeem Ilyas 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 Al-Falah Limited Bank Al-Habib 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 Plot No 32-C, Jami Commercial, Street 2, D.H.A Phase VII, Karachi - 75500	
Mill	11-km Sheikhpura Faisalabad Road, Sheikhpura	
Website	<a href="http://www.dsil.com.pk">www.dsil.com.pk</a>	

## DIRECTORS' REPORT

On behalf of the Board of Directors of D S Industries Limited, we feel immense pleasure to present the un-audited financial statements of the Company for the quarter and nine months ended March 31, 2022.

### Financial Results of the Company

During the period under review, the Company has recorded a net sales of Rs. 15.61 million and a gross loss of Rs. 14 million as compared with a net sales of Rs. 105.84 million and gross profit of Rs. 13.67 million in the corresponding period of the last year. Net loss after tax recorded at Rs. 33.15 million as compared to a net loss after tax of Rs. 24.79 million in the corresponding period of the last year. The loss per share for the period ended March 31, 2022, recorded at Rs. 0.40 as compared to a loss per share of Rs. 0.30 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 further increase of the policy rate, which could seriously affect the economic activities. Moreover, 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.

For & on behalf of the Board



Hassan Ibrahim Ahmed  
Director



Ali Perez Ahmed  
Chief Executive

Lahore  
April 28, 2022

## Third Quarter Accounts March 31, 2022

### D.S. INDUSTRIES LIMITED

#### CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

	Note	March 31, 2022 (Un-Audited) Rupees	June 30, 2021 (Audited) Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Capital 100,000,000 (2021:100,000,000) 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		228,435,379	228,435,379
Accumulated losses		(842,297,703)	(809,147,793)
		140,094,277	173,244,187
<b>Non Current Liabilities</b>			
Long term finances		90,475,762	96,775,762
Deferred interest		24,576,651	16,391,492
Long term payables		-	672,978
Employees retirement benefits		59,356	2,519,877
		115,111,769	116,360,109
<b>Current Liabilities</b>			
Trade and other payables		103,505,574	113,314,409
Unclaimed dividend		337,563	337,563
Short term borrowings		76,437,260	61,165,447
Current portion of non-current liabilities		14,990,973	14,371,980
Provision for taxation		195,133	-
		195,466,503	189,189,399
<b>Contingencies and Commitments</b>			
	4	-	-
		450,672,549	478,793,695
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant & equipments	5	312,799,295	331,969,244
Long term investments		71,326,893	76,666,869
Long term deposits		19,072,394	19,072,394
Deferred taxation		40,227,220	32,586,684
		443,425,802	460,295,191
<b>Current Assets</b>			
Stores, spares & loose tools		361,346	878,864
Stock in trade		2,843,549	10,343,837
Advances, prepayments & other receivables		199,041	2,507,684
Advance income tax		2,986,576	3,966,312
Bank balances		856,235	801,807
		7,246,747	18,498,504
		450,672,549	478,793,695

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



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**Chief Executive**

## Third Quarter Accounts March 31, 2022

### D.S. INDUSTRIES LIMITED

#### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2022

Note	Nine Month Ended		Three Month Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rupees	Rupees	Rupees	Rupees
Sales - net	15,610,669	105,835,482	1,138,482	34,709,759
Cost of sales	6 (29,680,767)	(92,164,382)	(6,209,125)	(31,620,121)
<b>Gross (loss)/profit</b>	(14,070,098)	13,671,100	(5,070,643)	3,089,638
Selling and distribution expenses	(1,629,315)	(22,172,650)	(90,418)	(7,141,035)
Administrative and general expenses	(4,975,446)	(9,580,397)	(1,422,017)	(3,041,022)
Other expenses	(7,619,019)	(11,435,133)	-	(539,679)
	(14,223,780)	(43,188,180)	(1,512,435)	(10,721,736)
	(28,293,878)	(29,517,080)	(6,583,078)	(7,632,098)
Other income	1,385,939	12,458,645	-	2,589,527
<b>Operating (loss)</b>	(26,907,939)	(17,058,435)	(6,583,078)	(5,042,571)
Finance cost	(9,139,740)	(8,094,252)	(3,009,113)	(3,101,609)
Notional interest	792,341	-	-	-
Share of (loss)/profit of associate	(5,339,976)	1,952,258	(688,107)	(673,907)
<b>(Loss) before taxation</b>	(40,595,314)	(23,200,429)	(10,280,298)	(8,818,087)
Taxation	7,445,404	(1,587,532)	(14,231)	(520,646)
<b>(Loss) after taxation</b>	(33,149,910)	(24,787,961)	(10,294,529)	(9,338,733)
<b>(Loss) per share - basic and diluted</b>	(0.40)	(0.30)	(0.12)	(0.11)

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



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**Chief Executive**

**D.S. INDUSTRIES LIMITED**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
(UN-AUDITED)  
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2022**

	Nine Month Ended		Three Month Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rupees	Rupees	Rupees	Rupees
Other comprehensive income	-	-	-	-
(Loss) after taxation	(33,149,910)	(24,787,961)	(10,294,529)	(9,338,733)
<b>Total comprehensive (loss)</b>	<b>(33,149,910)</b>	<b>(24,787,961)</b>	<b>(10,294,529)</b>	<b>(9,338,733)</b>

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



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**Chief Executive**

**D.S. INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**(UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2022**

	Share Capital	Discount on Issue of Shares	Surplus on Revaluation of Property, Plant & Equipments	Un-Appropriated (Loss)	Total Equity
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as at June 30, 2020 - Audited</b>	836,856,310	(82,899,709)	235,315,776	(806,269,317)	183,003,060
(Loss) after taxation	-	-	-	(24,787,961)	(24,787,961)
Incremental depreciation			-	-	-
<b>Balance as at March 31, 2021 - Un-audited</b>	<u>836,856,310</u>	<u>(82,899,709)</u>	<u>235,315,776</u>	<u>(831,057,278)</u>	<u>158,215,099</u>
<b>Balance as at July 1, 2021 - Audited</b>	836,856,310	(82,899,709)	228,435,379	(809,147,793)	173,244,187
(Loss) after taxation	-	-	-	(33,149,910)	(33,149,910)
<b>Balance as at March 31, 2022 - Un-audited</b>	<u>836,856,310</u>	<u>(82,899,709)</u>	<u>228,435,379</u>	<u>(842,297,703)</u>	<u>140,094,277</u>

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



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**Chief Executive**

## Third Quarter Accounts March 31, 2022

### D.S. INDUSTRIES LIMITED

#### CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2022

	March 31, 2022	March 31, 2021
	(Un-Audited) Rupees	(Un-Audited) Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(40,595,314)	(23,200,429)
Adjustments for:		
- Depreciation for the period	8,873,635	9,301,650
- Notional Interest	(792,341)	
- share of loss/(profit) of associate	5,339,976	(1,952,258)
- Loss on disposal of property, plant & equipments	6,126,814	-
- Finance cost	9,137,940	7,976,088
	<u>28,686,024</u>	<u>15,325,480</u>
<b>Operating (loss) before working capital changes</b>	<b>(11,909,290)</b>	<b>(7,874,949)</b>
<b>Changes in working capital</b>		
- Stores, spares and loose tools	517,518	43,575
- Stock in trade	7,500,288	(3,354,496)
- Advances, prepayments and other receivables	3,288,379	(1,828,761)
- Trade & other payable	(8,827,298)	26,208,658
	<u>2,478,887</u>	<u>21,068,976</u>
<b>Net cash generated from/(used in) operations</b>	<b>(9,430,403)</b>	<b>13,194,027</b>
<b>Payments for:</b>		
- Finance cost	(162,240)	(19,003)
- Income tax	(979,736)	(1,765,989)
- Employees retirement benefits	(2,460,521)	(420,000)
	<u>(3,602,497)</u>	<u>(2,204,992)</u>
<b>Net Cash used in Operating Activities</b>	<b>(13,032,900)</b>	<b>10,989,035</b>
<b>Cash Flow From Investing Activities</b>		
- Capital expenditure	-	(1,803,550)
- Proceed from disposal of property, plant & equipments	4,169,500	-
<b>Net Cash Generated from Investing Activities</b>	<b>4,169,500</b>	<b>(1,803,550)</b>
<b>Cash Flow From Financing Activities</b>		
- Repayment of long term financing	(2,100,000)	(3,500,000)
- Repayment of long term payable	(4,253,985)	
- Net increase/(decrease) in short term borrowings	15,271,813	(5,682,902)
<b>Net Cash Generated from Financing Activities</b>	<b>8,917,828</b>	<b>(9,182,902)</b>
<b>Net Increase / (decrease) in Cash &amp; Cash Equivalents</b>	<b>54,428</b>	<b>2,583</b>
Cash and cash equivalents at the beginning of the period	801,807	733,806
<b>Cash and Cash Equivalents at the End of the period</b>	<b>856,235</b>	<b>736,389</b>

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



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**Chief Executive**

**D.S. INDUSTRIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 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. 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 information 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 information for the quarter ended on March 31, 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 30,2021

Note 4

**Contingencies and Commitments**

**Contingencies**

There are no significant contingencies at the balance sheet date

**Commitments**

There are no known commitments as at the reporting date.

Note 5

**Property, plant & equipments**

	March 31, 2022	June 30, 2021
	(Un-Audited)	(Audited)
	Rupees	Rupees
Net book value at the beginning of the period/year	331,969,244	343,661,165
Additions during the period/year	-	1,803,550
	331,969,244	345,464,715
Adjustments for disposal / revaluation	(10,296,314)	(423,094)
Depreciation charge for the period/year	(8,873,635)	(13,072,377)
	312,799,295	331,969,244

## Third Quarter Accounts March 31, 2022

Note 6 Cost of Sales	Nine Month Ended		Three Month Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees
Raw material consumed	4,264,850	42,734,323	774,800	14,522,712
Stores & spares consumed	569,554	3,899,106	13,641	1,572,605
Salaries, wages & benefits	8,311,971	29,584,411	1,265,263	10,292,657
Fuel & power	1,056,516	2,602,749	238,274	384,427
Repair & maintenance	174,588	36,500	-	-
Travelling & conveyance	398,932	-	35,916	-
Insurance	-	57,317	-	-
Rent, rates & taxes	605,000	3,875,000	-	1,325,000
Depreciation	8,251,565	8,970,651	2,696,699	2,942,241
Other manufacturing overheads	177,086	-	7,632	-
	23,810,062	91,760,057	5,032,225	31,039,642
Work-in-process				
At the beginning of the period	2,255,600	3,213,800	-	2,311,900
At the end of the period	-	(2,359,780)	-	(2,359,780)
	2,255,600	854,020	-	(47,880)
Finished goods				
At the beginning of the period	3,949,280	5,310,417	1,511,075	6,388,471
At the end of the period	(334,175)	(5,760,112)	(334,175)	(5,760,112)
	3,615,105	(449,695)	1,176,900	628,359
	29,680,767	92,164,382	6,209,125	31,620,121

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.

	Nine Month Ended	
	March 31, 2022	March 31, 2021
	Rupees	Rupees
Sale of goods	1,629,257	7,018,560
<b>Balances with Related Parties</b>		
<i>Associates and associated undertakings</i>		
Short term borrowings	44,946,499	31,995,138
<b>Sponsors</b>		
Short term borrowings - net	31,490,761	24,132,525

Note 8

**Authorization of Financial Statements**

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These interim financial information have been authorized for issue on April 28, 2022 by the Board of Directors of the

Note 9

**General**

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Figures have been rounded off to the nearest rupees.



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**



**Chief Executive**

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

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