

Third Quarter Report  
31st March 2024



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## COMPANY INFORMATION

BOARD OF DIRECTORS		
NON-EXECUTIVE DIRECTORS	:	MR. MUHAMMAD IRFAN ALI      CHAIRMAN BOARD OF DIRECTORS SYED FARHAN ASDAQUE MR. MUHAMMAD WAJID
EXECUTIVE DIRECTORS	:	MR. ISHTIAQ AHMAD      CHIEF EXECUTIVE OFFICER MR. SALEEM-UL-HAQUE MS. MOMNA GULL
INDEPENDENT DIRECTOR	:	MR. ASGHAR IQBAL
AUDIT COMMITTEE	:	MR. ASGHAR IQBAL      CHAIRMAN MR. MUHAMMAD WAJID      MEMBER MR. MUHAMMAD IRFAN ALI      MEMBER
HUMAN RESOURCE & REMUNERATION COMMITTEE	:	MR. ASGHAR IQBAL      CHAIRMAN MR. ISHTIAQ AHMAD      MEMBER MR. MUHAMMAD WAJID      MEMBER
CHIEF FINANCIAL OFFICER	:	MR. SALEEM-UL-HAQUE
COMPANY SECRETARY	:	MR. MUHAMMAD HANIF GERMAN
AUDITORS	:	FEROZE SHARIF TARIQ & CO. CHARTERED ACCOUNTANTS
LEGAL ADVISOR	:	KHALID ANWAR & COMPANY - ADVOCATES
TAX ADVISORS	:	SHARIF & COMPANY – ADVOCATES
FACTORY OFFICE	:	PLOT NO. 1, DEWAN FAROOQUE INDUSTRIAL PARK, HATTAR, DISTRICT HARIPUR, K.P.
CORPORATE OFFICE	:	DEWAN CENTRE, 3-A, LALAZAR, BEACH HOTEL ROAD, KARACHI.
REGISTERED OFFICE	:	PLOT NO. 6, STREET NO. 9, FAYYAZ MARKET, G-8/2, ISLAMABAD, PAKISTAN.
SHARE REGISTRAR / TRANSFER AGENTS	:	BMF CONSULTANTS PAKISTAN (PRIVATE) LIMITED ANUM ESTATE BUILDING, ROOM NO. 310 & 311, 3RD FLOOR, 49, DARUL AMAN SOCIETY, MAIN SHAHRAH-E-FAISAL, ADJACENT TO BALOCH COLONY BRIDGE, KARACHI, PAKISTAN.
BANKERS	:	AL BARAKA ISLAMIC INVESTMENT BANK LIMITED ALLIED BANK LIMITED ASKARI BANK LIMITED BANK ALFALAH LIMITED BANK OF KHYBER LIMITED BANK OF PUNJAB LIMITED FAYSAL BANK LIMITED HABIB BANK LIMITED HABIB METROPOLITAN BANK LIMITED MCB BANK LIMITED MEEZAN BANK LIMITED SUMMIT BANK LIMITED NATIONAL BANK OF PAKISTAN LIMITED STANDARD CHARTERED BANK LIMITED (PAKISTAN) SILK BANK LIMITED UNITED BANK LIMITED

## DIRECTOR'S REVIEW

The Board of Directors of your company present un-audited Condensed Interim Financial Statements of the Company for the nine months ended on March 31, 2024.

## FINANCIAL PERFORMANCE OPERATING AND FINANCIAL RESULTS AT A GLANCE

	(Rupees In'000')
SALES (NET)	(Nil)
COST OF SALES	<u>309,280</u>
<b>GROSS LOSS</b>	<b>(309,280)</b>
OPERATING EXPENSES	<u>33,427</u>
<b>OPERATING LOSS</b>	<b>(342,707)</b>
FINANCE COST/OTHER INCOME	<u>(250,080)</u>
<b>LOSS BEFORE TAXATION</b>	<b>(92,627)</b>
TAXATION	<u>38,741</u>
<b>LOSS AFTER TAXATION</b>	<b><u>(53,886)</u></b>

Company recorded net sales of Rs. Nil (2023-Rs.Nil) during the period under review suffered gross loss of Rs. 309.280 million (2023 Rs. 334.733 million) and loss after taxation amounted to Rs. 53.886 million. (2023 Rs. 1,921.386 million)

## INDUSTRY OVERVIEW

Pakistan entered 2024 with a variety of internal and external issues. The textile industry has been hit harder than ever before due to rising energy prices. Spinning industry remained under pressure during the third quarter of FY 2023-24.

During the period under review, sales volume of domestic PSF manufacturers kept low. Local PSF prices were almost steady, with a very slight increase during the quarter.

Pakistan's textile exports experienced a positive growth in January 2024 over the previous months, but then decreased again in the months of February and March.

Going forward, domestic market demand is expected to remain on the lower side due to ongoing economic challenges.

Your company operations remained closed during the period under review.

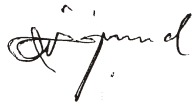
## ACKNOWLEDGEMENT

The Board expresses the hope that it's valued shareholders, Federal and Provincial Government functionaries, banks, financial institutions and customers of Salsabil, shall continue to extend their cooperation, support and patronage as in the past.

The Board also expresses its appreciation for the valuable services, loyalty and laudable efforts continuously rendered by the executives, staff members and workers of the company and recognize that they are most valuable assets of the Company.

## CONCLUSION

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Raheem, in the name of our beloved prophet. Muhammad (Peace Be Upon Him), for continued showering of His blessings, Guidance, Strength, Health and Prosperity on our Nation, Country and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to the whole of Muslim Ummah, Aameen, Summa Aameen.



**Ishtiaq Ahmed**  
Chief Executive Officer

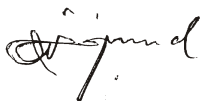


**Muhammad Irfan Ali**  
Chairman Board of Director

**DEWAN SALMAN FIBRE LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited)**  
**AS AT MARCH 31 2024**

	Notes	UN-AUDITED MAR. 31, 2024	AUDITED JUN. 30, 2023
(Rupees in '000)			
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHARE CAPITAL AND RESERVES</u></b>			
Authorized capital			
630,000,000 (2023: 630,000,000) Ordinary shares of Rs. 10/- each		6,300,000	6,300,000
90,000,000 (2023: 90,000,000) Preference shares of Rs. 10/- each		900,000	900,000
		<u>7,200,000</u>	<u>7,200,000</u>
Issued, subscribed and paid-up capital		3,663,211	3,663,211
Revenue reserves		350,000	350,000
General reserves		(23,501,106)	(23,578,881)
Accumulated losses			
Capital reserves			
Surplus on revaluation of property, plant and equipment		2,493,095	2,624,756
		<u>(16,994,800)</u>	<u>(16,940,914)</u>
<b><u>NON CURRENT LIABILITIES</u></b>			
Long term loans		370,110	341,501
Deferred liabilities		797,450	857,067
		1,167,560	1,198,568
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payables		985,655	1,002,193
Short term borrowings		13,770,926	13,770,926
Overdue portion of long term loans		6,848,204	7,064,924
Provision for taxation		211,051	196,016
		21,815,836	22,034,059
<b>Contingencies and commitments</b>		--	--
		<u>5,988,596</u>	<u>6,291,713</u>
<b><u>ASSETS</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
Property, plant and equipment		4,611,629	4,897,097
<b><u>CURRENT ASSETS</u></b>			
Stores and spares		435,285	435,285
Stock in trade		--	--
Trade debts		256,885	305,387
Short term loans to associated undertakings - considered good		115,599	115,599
Advances - Considered good		17,019	16,018
Short term deposits and prepayments		151,437	151,437
Other receivables - Considered good		59,204	28,202
Cash and bank balances		21,539	22,688
		1,056,967	1,074,616
Non current assets held for sale		320,000	320,000
		<u>5,988,596</u>	<u>6,291,713</u>

*The annexed notes form an integral part of this interim condensed financial information.*



**Ishtiaq Ahmed**  
Chief Executive Officer



**Saleem-ul-Haque**  
Chief Financial Officer

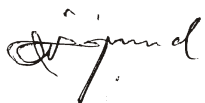


**Muhammad Irfan Ali**  
Chairman Board of Director

**DEWAN SALMAN FIBRE LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT - (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Notes	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
		'Mar, 31 2024	'Mar, 31 2023	'Mar, 31 2024	'Mar, 31 2023
		(Rupees in '000)		(Rupees in '000)	
Sales		--	--	--	--
Cost of sales		309,280	334,733	103,704	112,244
Gross loss		<u>(309,280)</u>	<u>(334,733)</u>	<u>(103,704)</u>	<u>(112,244)</u>
Administration expenses		33,427	31,310	9,800	6,550
Operating loss		<u>(342,707)</u>	<u>(366,043)</u>	<u>(113,504)</u>	<u>(118,794)</u>
Finance cost		4	3	3	1
Other charges		29,269	1,647,565	(21,244)	1,209,779
Other income		<u>(279,353)</u>	<u>(41,384)</u>	<u>(8,763)</u>	<u>(14,974)</u>
		(250,080)	1,606,184	(30,004)	1,194,806
(Loss) / before taxation		<u>(92,627)</u>	<u>(1,972,227)</u>	<u>(83,500)</u>	<u>(1,313,600)</u>
Taxation		38,741	50,841	8,812	16,836
(Loss) / after taxation		<u><u>(53,886)</u></u>	<u><u>(1,921,386)</u></u>	<u><u>(74,688)</u></u>	<u><u>(1,296,764)</u></u>
Loss per share - Basic (Rupees)		<u>(0.15)</u>	<u>(5.25)</u>	<u>(0.20)</u>	<u>(0.27)</u>
Loss per share - Diluted (Rupees)		<u>(0.14)</u>	<u>(4.98)</u>	<u>(0.19)</u>	<u>(1.60)</u>

*The annexed notes form an integral part of this interim condensed financial information.*



**Ishtiaq Ahmed**  
Chief Executive Officer



**Saleem-ul-Haque**  
Chief Financial Officer



**Muhammad Irfan Ali**  
Chairman Board of Director

**DEWAN SALMAN FIBRE LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Mar, 31 2024	Mar, 31 2023
	(Rupees in '000)	
<b>Cash Flow from Operating Activities</b>		
Loss before taxation	(92,628)	(1,972,227)
Adjustments for:		
Depreciation	286,092	317,931
Exchange gain	(216,720)	(4,938)
Unwinding discount	28,609	25,735
Provision for gratuity	3,540	4,965
Exchange loss	660	1,621,830
Financial charges	4	3
cash outflow before working capital changes	9,557	(6,701)
<b>Movement in Working Capital</b>		
<i>(Increase) / decrease in current assets</i>		
Trade Debts	48,502	41,330
Advances	(1,001)	(901)
Short term deposits and prepayments	--	(59)
Other receivables	(31,002)	(385)
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	(16,539)	(2,161)
	(40)	37,824
Cash generated /(used)from operations	9,517	31,123
Payments for:		
Staff gratuity	(3,941)	(3,957)
Financial charges	(4)	(3)
Tax	(6,061)	(3,863)
	(10,006)	(7,823)
Net cash generated in operating activities	(489)	23,300
<b>Cash Flow from Investing Activities</b>	--	--
<b>Cash Flow from Financing/ Non financing Activities</b>		
Long term loan - Secured	--	(18,308)
Net cash outflow from financing activities	--	(18,308)
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	(489)	4,992
Net foreign exchange difference	(660)	4,938
<b>Cash and cash equivalents at beginning 1st July 2023</b>	(2,950,207)	(2,955,776)
<b>Cash and cash equivalents at 31 March 2024</b>	(2,951,356)	(2,945,846)

(Note – A)

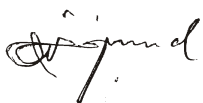
**Note - A**

**Cash and Cash Equivalents**

Cash and cash equivalents include:

Cash and bank balances	21,539	27,049
Short term finances:		
-Short term running finances	(2,970,019)	(2,970,019)
-Book Overdraft	(2,876)	(2,876)
	(2,972,895)	(2,972,895)
	(2,951,356)	(2,945,846)

*The annexed notes form an integral part of this interim condensed financial information.*



**Ishtiaq Ahmed**  
Chief Executive Officer



**Saleem-ul-Haque**  
Chief Financial Officer



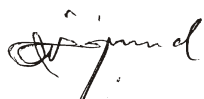
**Muhammad Irfan Ali**  
Chairman Board of Director



**DEWAN SALMAN FIBRE LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Issued, subscribed and paid-up share capital	Revenue reserves			Surplus on revaluation of property, plant and equipment	Total capital reserves	Total equity
		General reserve	Accumulated losses	Total revenue reserves			
----- (Rupees in '000) -----							
Balance as on 1 July 2022	3,663,211	350,000	(21,582,577)	(21,232,577)	2,819,809	2,819,809	(14,749,557)
Loss for the nine months ended 31 March 2023	--	--	(1,921,386)	(1,921,386)	--	--	(1,921,386)
Other comprehensive income	--	--	--	--	--	--	--
Total comprehensive income/ Loss for the nine months ended	--	--	(1,921,386)	(1,921,386)	--	--	(1,921,386)
Transfer to accumulated losses on account of incremental depreciation - Net of tax	--	--	146,290	146,290	(146,290)	(146,290)	--
<b>Balance as at 31 March 2023</b>	<b>3,663,211</b>	<b>350,000</b>	<b>(23,357,673)</b>	<b>(23,007,673)</b>	<b>2,673,519</b>	<b>2,673,519</b>	<b>(16,670,943)</b>
Balance as on 1 July 2023	3,663,211	350,000	(23,578,881)	(23,228,881)	2,624,756	2,624,756	(16,940,914)
Loss for the nine months ended 31 March 2024	--	--	(53,886)	(53,886)	--	--	(53,886)
Other comprehensive income	--	--	--	--	--	--	--
Total comprehensive income/ Loss for the nine months ended	--	--	(53,886)	(53,886)	--	--	(53,886)
Transfer to accumulated losses on account of incremental depreciation - Net of tax	--	--	131,661	131,661	(131,661)	(131,661)	--
<b>Balance as at 31 March 2024</b>	<b>3,663,211</b>	<b>350,000</b>	<b>(23,501,106)</b>	<b>(23,151,106)</b>	<b>2,493,095</b>	<b>2,493,095</b>	<b>(16,994,800)</b>

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



**Ishtiaq Ahmed**  
Chief Executive Officer



**Saleem-ul-Haque**  
Chief Financial Officer

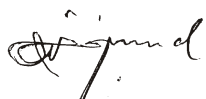


**Muhammad Irfan Ali**  
Chairman Board of Director

**DEWAN SALMAN FIBRE LIMITED**  
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME - (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
	'Mar, 31 2024	'Mar, 31 2023	'Mar, 31 2024	'Mar, 31 2023
	(Rupees in '000)		(Rupees in '000)	
Net loss after taxation	(53,886)	(1,921,386)	(74,688)	(1,296,764)
Total comprehensive loss transferred to equity	<u>(53,886)</u>	<u>(1,921,386)</u>	<u>(74,688)</u>	<u>(1,296,764)</u>

*The annexed notes form an integral part of this interim condensed financial information.*



**Ishtiaq Ahmed**  
Chief Executive Officer



**Saleem-ul-Haque**  
Chief Financial Officer



**Muhammad Irfan Ali**  
Chairman Board of Director

**DEWAN SALMAN FIBRE LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - (Un-audited)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

**1 THE COMPANY AND ITS OPERATIONS**

The Company was incorporated in Pakistan on 4 October 1989 and its shares are listed on Pakistan Stock Exchange. It is engaged in manufacturing and sale of polyester, acrylic fibre and tow products. However, the operations of the Company are closed since December 2008.

The geographical location and address of Company's business units including plant is as under:

- The registered office of the Company is situated at Plot No. 6, street no. 9, Fayyaz market, G-8/2, Islamabad, Pakistan.
- The factory office of the Company is situated at Plot No. 1, Dewan Farooque Industrial Park, Hattar, District Haripur (K.P.K), Pakistan.
- The Corporate office of the Company is situated at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi, Pakistan.

**2 BASIS OF PREPARATION**

- 2.1** These condensed interim financial statements of the Company for the nine months ended 31 March 2024 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017: and

Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2023.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of annual audited financial statements of the Company for the year ended 30 June 2023.

#### 4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended 30 June 2023.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended 30 June 2023.

#### 5 CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments are same as reported in the annual financial statements for the year ended 30 June 2023.

#### 6 TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties during the period under consideration.

#### 7 CORRESPONDING FIGURES

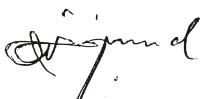
In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", condensed interim statement of financial position has been compared with the balances of annual financial statements, whereas condensed interim statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

#### 8 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on **26-April-2024** by the Board of Directors of the Company.

#### 9 GENERAL

The figures have been rounded off to the nearest thousand rupees.



**Ishtiaq Ahmed**  
Chief Executive Officer



**Saleem-ul-Haque**  
Chief Financial Officer



**Muhammad Irfan Ali**  
Chairman Board of Director

ڈائریکٹر کا جائزہ :

کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے مالی سال 2023-2024 کے تیسری سہ ماہی یعنی کہ 31 مارچ 2024 کے لیے غیر آڈٹ ملخص عبوری مالیاتی رپورٹس حاضر خدمت ہیں۔

مالیاتی صورتحال کا جائزہ

(روپے '000)	
(صفر)	مجموعی فروخت
309,280	فروخت اور ترسیل کے اخراجات
(309,280)	مجموعی نقصان
33,427	انتظامی اخراجات
(342,707)	انتظامی نقصان
(250,080)	مالیاتی نقصان
(92,627)	قبل از ٹیکس نقصان
38,741	ٹیکس
(53,886)	بعد از ٹیکس نقصان

زیر جائزہ مدت کے دوران کمپنی کی مجموعی فروخت صفر رہی (2023: صفر)، کمپنی کا مجموعی نقصان 309.280 ملین روپے (2023: 334.733 ملین روپے) رہا۔ جبکہ ٹیکس کی کٹوتی کے بعد نقصان 53.886 ملین روپے (2023: 1,921.386 ملین روپے) رہا۔

صنعت کا مجموعی جائزہ

پاکستان 2024 کے آغاز سے ہی داخلی اور خارجی مسائل دوچار رہا۔ توانائی کی بڑھتی ہوئی قیمتوں کی وجہ سے ٹیکسٹائل انڈسٹری پہلے سے کہیں زیادہ متاثر ہوئی ہے۔ مالی سال 2023-24 کی تیسری سہ ماہی کے دوران اسپننگ انڈسٹری دباؤ کا شکار رہی۔

زیر جائزہ مدت کے دوران، مقامی پیدا کردہ پی ایس ایف کی فروخت کا حجم کم رہا۔ رواں سہ ماہی میں مقامی پی ایس ایف کی قیمتیں معمولی اضافے کے ساتھ قدرے مستحکم رہیں۔

پاکستان کی ٹیکسٹائل برآمدات میں جنوری 2024 میں پچھلے مہینوں کے مقابلے میں مثبت اضافہ ہوا، لیکن پھر فروری اور مارچ کے مہینوں میں اس میں دوبارہ کمی واقع ہوئی۔

مزید بر آں، جاری اقتصادی چیلنجوں کی وجہ سے مقامی مارکیٹ کی طلب کم رہنے کی توقع ہے۔

زیر نظر مدت کے دوران آپ کی کمپنی کے کام بند رہے

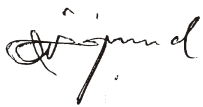
### اظہارِ تشکر:

بورڈ کمپنی کو اپنے قابل قدر حصص یافتگان، وفاقی اور صوبائی حکومت کے کارکنوں، بینکوں اور مالیاتی اداروں اور سلسبیل کے گاہکوں سے امید ہے کہ، ماضی کی طرح ان کا تعاون، حمایت اور سرپرستی جاری رہے گی۔

بورڈ اپنی کمپنی کے ایگزیکٹوز، عملے کے ارکان کی طرف سے پیش کی گئی گراں قدر خدمات، وفاداری اور قابل ستائش کوششوں کو نہ صرف سراہتا ہے بلکہ وہ انہیں کمپنی کا سب سے قیمتی اثاثہ سمجھتا ہے۔

### اختتام:

آخر میں ہم اللہ جل جلالہ کے حضور یہ دعائیں کرتے ہیں کہ رسول اللہ حضرت محمد صلی اللہ علیہ وسلم کے صدقے میں اپنے رحم و کرم اور برکتیں ہم پر نازل فرما۔ ہمیں صراطِ مستقیم عطا فرما۔ ہماری قوم اور ملک میں خوشحالی، امن، ہم آہنگی، تمام امت مسلمہ میں حقیقی اسلامی روح، بھائی چارگی اور اتحاد عطا فرما۔ آمین، ثناء آمین۔



اشتقاق احمد

چیف ایگزیکٹو آفیسر



محمد عرفان علی

چیرمین بورڈ آف ڈائریکٹر