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COMPANY INFORMATION

BOARD OF DIRECTORS	:	MR. MUHAMMAD IRFAN ALI	CHAIRMAN BOARD OF DIRECTORS
NON EXECUTIVE DIRECTORS	:	SYED FARHAN ASDAQUE MR. MUHAMMAD WAJID	
EXECUTIVE DIRECTORS	:	MR. ISHTIAQ AHMAD MR. SALEEM UL HAQUE MS. MOMNA GULL	CHIEF EXECUTIVE OFFICER
INDEPENDENT DIRECTOR	:	MR. ASGHAR IQBAL	
AUDIT COMMITTEE	:	MR. ASGHAR IQBAL MR. MUHAMMAD WAJID MR. MUHAMMAD IRFAN ALI	CHAIRMAN MEMBER MEMBER
HUMAN RESOURCE & REMUNERATION COMMITTEE	:	MR. ASGHAR IQBAL MR. ISHTIAQ AHMAD MR. MUHAMMAD WAJID	CHAIRMAN MEMBER MEMBER
CHIEF FINANCIAL OFFICER	:	MR. SALEEM UL HAQUE	
COMPANY SECRETARY	:	MR. MUHAMMAD HANIF GERMAN	
AUDITORS	:	FARUQ ALI & CO. CHARTERED ACCOUNTANTS	
	:	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 MEEZAN BANK LIMITED SUMMIT BANK LIMITED NATIONAL BANK OF PAKISTAN LIMITED STANDARD CHARTERED BANK LIMITED (PAKISTAN) SILK BANK LIMITED UNITED BANK LIMITED	

DIRECTORS' REVIEW

The Board of Directors of your company present un-audited Condensed Interim Financial Statements of the Company for the 1st quarter ended on September 30, 2022.

OPERATING AND FINANCIAL RESULTS AT A GLANCE

	(Rupees In'000')
SALES (NET)	(Nil)
COST OF SALES	(111,626)
GROSS LOSS	(111,626)
OPERATING EXPENSES	17,768
OPERATING LOSS	(129,394)
FINANCE COST	426,688
OTHER INCOME	(13,564)
LOSS BEFORE TAXATION	(413,124)
TAXATION	17,066
LOSS AFTER TAXATION	(525,452)

Company recorded net sales of Rs. Nil (2021- Rs. Nil) during the period under review suffered loss after taxation amounted to Rs. 525.452 million. (2021 Rs. 401.031 million).

THE PERIOD UNDER REVIEW

Despite of our best efforts during the period under review, we were unable to start the plants of the company due to unavailability of working capital. However, management of your company makes their best efforts to operate the largest unit of the country.

The Company is successfully facing litigations with lenders as elaborated in our previous audited financial statements. The Management is fully confident that the Company will have favorable decisions from the concerned courts.

INDUSTRY OVERVIEW

Pakistan's textile sector was on a growth trajectory for the past few years. But now, conditions are quite challenging. Due to recent economic uncertainty, textile exports showed declining trend during the period under review.

During the 1st quarter of FY 2022-23, spinning industry remained under pressure due to expensive gas and high electricity tariff. Local yarn market kept fluctuating and many spinning mills found it difficult to sustain their operation. High cost and shortage of raw cotton was another factor that forced some of the mill owners to shut down their mills temporarily.

During the period under review, sales volume of domestic PSF manufacturers kept low. Local PSF prices witnessed slight downward trend.

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.

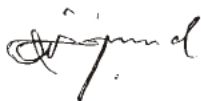
CONCLUSION

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.

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

By and under Authority of the Board of Directors

On behalf of the Board



Ishtiaq Ahmed
Chief Executive Officer



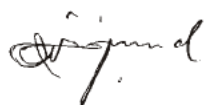
Muhammad Irfan Ali
Chairman Board of Director

Date: October 25, 2022
Place: Karachi

DEWAN SALMAN FIBRE LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30 2022

Notes	UN-AUDITED SEPT. 30, 2022 (Rupees in '000)	AUDITED JUNE 30, 2022
<u>EQUITY AND LIABILITIES</u>		
<u>SHARE CAPITAL AND RESERVES</u>		
Authorized capital		
630,000,000 (2013: 630,000,000) Ordinary shares of Rs. 10/- each	6,300,000	6,300,000
90,000,000 (2013: 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	(22,059,266)	(21,582,577)
Accumulated losses		
Capital reserves		
Surplus on revaluation of property, plant and equipment	<u>2,771,046</u>	<u>2,819,809</u>
	(15,275,009)	(14,749,557)
<u>NON CURRENT LIABILITIES</u>		
Long term loans	315,767	307,188
Deferred liabilities	<u>937,034</u>	<u>956,125</u>
	1,252,801	1,263,313
<u>CURRENT LIABILITIES</u>		
Trade and other payables	988,431	986,147
Short term borrowings	13,770,926	13,770,926
Overdue portion of long term loans	5,774,052	5,374,252
Provision for taxation	<u>186,895</u>	<u>184,043</u>
	20,720,304	20,315,368
Contingencies and commitments	--	--
	<u>6,698,096</u>	<u>6,829,124</u>
<u>ASSETS</u>		
<u>NON CURRENT ASSETS</u>		
Property, plant and equipment	5,215,028	5,321,005
<u>CURRENT ASSETS</u>		
Stores and spares	483,650	483,650
Stock in trade	--	--
Trade debts	475,212	502,755
Advances - Considered good	13,561	13,561
Short term deposits and prepayments	151,437	151,437
Other receivables - Considered good	21,572	19,597
Cash and bank balances	<u>17,636</u>	<u>17,119</u>
	1,163,068	1,188,119
Non current assets held for sale	<u>320,000</u>	<u>320,000</u>
	<u>6,698,096</u>	<u>6,829,124</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 - (Un-audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Notes	Sept, 30 2022	Sept, 30 2021
		(Rupees in '000)	
Sales		--	--
Cost of sales		111,626	130,520
Gross loss		(111,626)	(130,520)
Distribution cost		334	501
Administration expenses		17,434	8,357
		17,768	8,858
Operating loss		(129,394)	(139,378)
Finance cost		426,688	293,317
Other income		(13,564)	(12,181)
		413,124	(281,136)
(Loss) / before taxation		(542,518)	(420,514)
Taxation		17,066	19,483
(Loss) / after taxation		<u>(525,452)</u>	<u>(401,031)</u>
Loss per share - Basic (Rupees)		<u>(1.43)</u>	<u>(1.09)</u>
Loss per share - Diluted (Rupees)		<u>(1.36)</u>	<u>(1.08)</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
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Sept, 30 2022	Sept, 30 2021
	(Rupees in '000)	
Cash Flow from Operating Activities		
Loss before taxation	(542,518)	(420,514)
Adjustments for:		
Depreciation	105,977	117,770
Exchange gain - Net	(1,273)	(870)
Unwinding discount	8,578	7,716
Provision for gratuity	1,655	1,363
Exchange (gain)/ loss	418,110	285,600
cash outflow before working capital changes	(9,471)	(8,935)
Movement in Working Capital		
<i>(Increase) / decrease in current assets</i>		
Trade Debts	29,428	12,244
Advances	--	(21)
Other receivables	(1,976)	(1,885)
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	2,283	2,042
	29,735	12,380
Cash generated /(used) from operations	20,264	3,445
Payments for:		
Staff gratuity	(827)	(673)
Tax	(1,885)	(515)
	(2,712)	(1,188)
Net cash generated in operating activities	17,552	2,257
Cash Flow from Investing Activities	--	--
Cash Flow from Financing/ Non financing Activities		
Liabilities against assets subject to finance lease - Net	--	(1,300)
Long term loan - Secured	(18,308)	
Net cash outflow from financing activities	(18,308)	(1,300)
Net Increase/ (decrease) in cash and cash equivalents	(756)	957
Net foreign exchange difference	1,273	--
Cash and cash equivalents at beginning 1st July 2022	(2,955,776)	(2,961,033)
Cash and cash equivalents at 30 September 2022	(2,955,259)	(2,960,076)

(Note – A)

Note - A

Cash and Cash Equivalents

Cash and cash equivalents include:

Cash and bank balances	17,636	12,819
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)
	(2,955,259)	(2,960,076)

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



Ishtiaq Ahmed
Chief Executive Officer



Saleem-ul-Haque
Chief Financial Officer

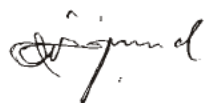


Muhammad Irfan Ali
Chairman Board of Director

DEWAN SALMAN FIBRE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Issued, subscribed and paid-up share capital	Revenue reserves			Surplus on evaluation o roperty, plan nd equipmen	Total capital reserves	Total equity
		General reserve	Accumulate d losses	Total revenue reserves			
(Rupees in '000)							
Balance as on 1 July 2021	3,663,211	350,000	(20,208,485)	(19,858,485)	3,036,534	3,036,534	(13,158,740)
Loss for the quarter ended 30 September2021	—	--	(401,031)	(401,031)	—	--	(401,031)
Other comprehensive income	—	--	--	--	--	--	--
Total comprehensive income/ Loss for the quarter	—	--	(401,031)	(401,031)	--	--	(401,031)
Transfer to accumulated losses on account of incremental depreciation - Net of tax	—	--	22,132	22,132	(33,132)	(22,132)	--
Balance as at 30 September 2021	3,663,211	350,000	(20,587,384)	(20,237,384)	3,014,402	3,014,402	(13,559,771)
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 quarter ended 30 September 2022	—	--	(525,452)	(525,452)	—	--	(525,452)
Other comprehensive income	—	--	--	--	--	--	--
Total comprehensive income/ Loss for the quarter	—	--	(525,452)	(525,452)	--	--	(525,452)
Transfer to accumulated losses on account of incremental depreciation - Net of tax	—	--	48,763	48,763	(48,763)	(48,763)	--
Balance as at 30 September 2022	3,663,211	350,000	(22,059,266)	(21,709,266)	2,771,046	2,771,046	(15,275,009)

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 QUARTER ENDED SEPTEMBER 30, 2022

	Sept, 30 2022	Sept, 30 2021
	(Rupees in '000)	
Net loss after taxation	(525,452)	(401,031)
Total comprehensive loss transferred to equity	<u>(525,452)</u>	<u>(401,031)</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 QUARTER ENDED SEPTEMBER 30, 2022

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 Center, 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 30 September 2022 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:

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

- 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 2022.
- 2.3** The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended 30 September 2022 and 2021 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended 30 September 2022 and 2021.

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 2022.

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 2022.

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 2022.

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 2022.

6 TRANSACTIONS WITH RELATED PARTIES

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

7 CORRESPONDING FIGURES

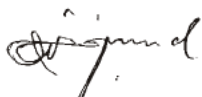
In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", condensed interim statement of financial position has been compared with the balances of annual financial statements, whereas condensed interim statement of profit or loss, statement of comprehensive 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 **25-October-2022** by the Board of Directors of the Company.

9 GENERAL

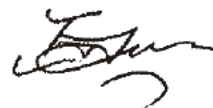
The figures have been rounded off to the nearest thousand rupees.



Ishtiaq Ahmed
Chief Executive Officer



Saleem-ul-Haque
Chief Financial Officer



Muhammad Irfan Ali
Chairman Board of Director

ڈائریکٹرز کا جائزہ:

کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے مالی سال 2022-2023 کے پہلے سہ ماہی یعنی کہ 30 ستمبر 2022 کے لیے غیر آڈٹ ملخص عبوری مالیاتی رپورٹس حاضر خدمت ہیں۔ جو کہ کمپنیز آرڈیننس 1984 کی دفعہ 245 (ترمیم شدہ 2002) اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کارپوریٹ گورننس کے ضابطے کے تحت پیش کیے جا رہے ہیں۔

مالیاتی صورتحال کا جائزہ

(روپے '000)	مجموعی فروخت
(مصر)	فروخت اور ترسیل کے اخراجات
(111,626)	مجموعی نقصان
(111,626)	انتظامی اخراجات
17,768	انتظامی نقصان
(129,394)	مالیاتی اخراجات
426,688	دیگر آمدنی
(13,564)	قبل از ٹیکس نقصان
(542,518)	ٹیکس
17,066	بعد از ٹیکس نقصان
(525,452)	

زیر جائزہ مدت کے دوران کمپنی کی مجموعی فروخت صفر رہی (2021: صفر)، کمپنی کا مجموعی نقصان 524.452 ملین روپے (2021: 401.031 ملین روپے) رہا۔

زیر جائزہ مدت کا خلاصہ

زیر جائزہ مدت کے دوران ہماری بہترین کوششوں کے باوجود، ورکنگ کیپٹل کی عدم دستیابی کے سبب ہم آپ کی کمپنی کے آپریشنز کو شروع کرنے سے قاصر رہے۔ تاہم، آپ کی کمپنی کی انتظامیہ ملک کے سب سے بڑے پونٹ کو چلانے کے لئے اپنی پوری کوشش کر رہی ہے۔ جیسے کہ ہمارے پچھلے آڈٹ شدہ مالی گوشواروں میں وضاحت کی گئی ہے کہ آپ کی کمپنی قرض دہندگان کے ساتھ کامیابی سے قانونی چارہ جوئی میں مصروف ہے۔ مینجمنٹ کو مکمل اعتماد ہے کہ کمپنی کو متعلقہ عدالتوں سے کمپنی کے حق میں فیصلہ حاصل ہوگا۔

صنعت کا مجموعی جائزہ

پاکستان کا ٹیکسٹائل سیکٹر گزشتہ چند سالوں سے ترقی کی راہ پر گامزن تھا۔ لیکن اب حالات کافی مشکل ہیں۔ حالیہ اقتصادی غیر یقینی صورتحال کی وجہ سے، ٹیکسٹائل کی برآمدات زیر جائزہ مدت کے دوران کمی کا رجحان ظاہر کرتی ہیں۔

مالی سال 2022-2023 کی پہلی سہ ماہی کے دوران، اسپننگ انڈسٹری مہنگی گیس اور بجلی کے زیادہ ٹیرف کی وجہ سے دباؤ میں رہی۔ مقامی سوت کی مارکیٹ میں اتار چڑھاؤ آتا رہا اور بہت سی اسپننگ ملوں کو اپنے کام کو برقرار رکھنا مشکل ہو گیا۔ خام کپاس کی زیادہ قیمت اور قلت ایک اور وجہ تھی جس نے مل مالکان کو اپنی ملیں بند کرنے پر مجبور کیا۔

پی ایس ایف کی مقامی پیداوار کی فروخت کا حجم کم رہا۔ مقامی پی ایس ایف کی قیمتوں میں معمولی کمی کارجان بھی دیکھا گیا۔

اظہارِ تشکر:

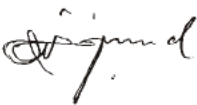
بورڈ کمپنی کو اپنے قابل قدر حصص یافتگان، وفاقی اور صوبائی حکومت کے کارکنوں، بینکوں اور مالیاتی اداروں اور سلسیل کے گاہکوں سے امید ہے کہ، ماضی کی طرح ان کا تعاون، حمایت اور سرپرستی جاری رہے گی۔


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 ﷺ 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۔

منجانب بورڈ


اشتقاق احمد
چیف ایگزیکٹو آفیسر اور ڈائریکٹرز


محمد عرفان علی
چیرمین بورڈ آف ڈائریکٹرز

کراچی

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