

DEWANMUSHTAQTEXTILEMILLS LIMITED

**HALF YEARLY REPORT
DECEMBER 31, 2021**

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	: Mr. Ishtiaq Ahmed - Chief Executive Officer & Director
Non-Executive Directors	: Mr. Ghazanfar Baber Siddiqi - Chairman, Board of Directors Mr. Zafar Asim Mr. Imran Ahmed Javed Syed Maqbool Ali Mrs. Nida Jamil
Independent Director	: Mr. Aziz-ul-Haque
Audit Committee	: Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Imran Ahmed Javed (Member)
Human Resources & Remuneration Committ	: Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Ishtiaq Ahmed (Member)
Auditor	: Feroze Sharif Tariq & Co. Chartered Accountants 4/N/4 Block-6, P.E.C.H.S., Karachi 75400, Pakistan.
Company Secretary	: Mr. Muhammad Hanif German
Chief Financial Officer	: Mr. Muhammad Irfan Ali
Tax Advisor	: Sharif & Co. Advocates
Legal Advisor	: Abbas & Atif Law Associates
Bankers	: Habib Bank Limited : Bank Islami Pakistan Limited : Silk Bank Limited :
Registered Office	: Dewan Centre, 3-A Lalazar Beach Hotel Road, Karachi
Shares Registrar & Transfer Agent	: 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 75350, Pakistan
Factory Office	: A-30, S.I.T.E., Hyderabad, Sindh, Pakistan.
Website	: www.yousufdewan.com

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL

IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

The Board of Directors of your Company is pleased to present unaudited condensed interim financial statements for the half year ended December 31, 2021 in compliance with the requirements of section 237 of the Companies Act, 2017 and code of corporate governance issued by Securities and Exchange Commission of Pakistan.

Operating results (Factory Shutdown):

Company's net sales during the current as well as in the comparative period remained nil due to closure of operations. The Company, for the time being, has suspended its manufacturing operations since July 2016 which could not be resumed due to adverse scenario faced by the industry and working capital constraints.

The auditors of the Company have expressed adverse conclusion in their review report on going concern assumption due to closure of operations, default in repayment of installments of restructured liabilities and related non-provisioning of mark-up as explained in their review report. The condensed interim financial statements have been prepared using going concern assumption as the company has approached its lenders for further restructuring of its liabilities, which is in process. Management is hopeful that such revision will be finalized soon which will enable the company to resume its operations.

Future Outlook

Although economic recovery is underway, the economy is also confronting inflation as well as external sector pressure. Further, it is expected that overall Country's exports will benefit from the current domestic and foreign economic aggression. However, despite the signs of economic resilience and recovery, sustainability of the current growth requires that the trade deficit remains manageable. There may be some pressure on current account due to high imports of raw material, import of plant and machinery, increasing trend in international Oil prices and rupee devaluation. Further, the challenges of rising debt, high inflation, increased cost of living, unstable political conditions and geopolitical tensions may obscure the outlook. In this regard, Government needs to closely monitor the imports, which seems to be the challenge having an impact on the foreign exchange reserves and accordingly on the exchange rates.

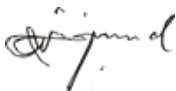
However, the performance of any organization mainly depends on consistency in government policies and provision of basic utilities including supply of gas, any hinderance of which have impact on the organization's performance. Accordingly, the Company expects that the upcoming government policies will be favourable for the businesses for their long-term growth.

Conclusion

In conclusion, we bow beg and pray to Almighty Allah, Rahman-o-Rahim, in the name of our beloved Prophet Muhammad (Peace be upon him) for the continued showering of his blessings, Guidance, strength, health and prosperity to us, our company, country and nation, and also pray to Almighty Allah to bestow peace, Harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah; Ameen: Summa Ameen

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

By and under Authority of the Board of Directors



Ishtiaq Ahmed
Chief Executive Officer



Syed Maqbool Ali
Director

Dated: February 24, 2022

INDEPENDENT AUDITORS' REVIEW REPORT
TO THE MEMBERS OF DEWAN MUSHTAQ TEXTILE MILLS LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying Condensed interim Statement of financial Position of Dewan Mushtaq Textile Mills Limited ("the company") as at December 31, 2021 and the related Condensed interim statement of profit or loss, Condensed interim Statement of comprehensive income, Condensed interim Statement of cash flow, Condensed interim statement of changes in equity, and the notes to the financial statement for the six months period then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and Presentation of these Condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on review engagements 2410, "Review of interim financial Information performed by the independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis of Adverse Conclusion

- a) The Condensed interim financial statements of the company for the Six months ended December 31, 2021 as disclosed in note 2 to the Condensed interim financial Statements reflect loss after taxation of Rs. 17.461 (December 31, 2020: Rs. 35.777) million and as of that date it has accumulated losses of Rs. 580.796 (June 30, 2021: Rs. 572.419) million and its current liabilities exceeded its current assets by Rs. 470.875 (June 30, 2021: Rs. 470.453) million without providing markups of Restructured and other liabilities and as refer in below para (b). The operations of the company were closed from July 2016 due to working capital constraints. Furthermore, the company defaulted in repayments of installments of restructured liabilities and short term finance facilities have expired and not been renewed by banks amounting to Rs. 100.00 million, hence as per the terms of the restructuring under clause 10.2 of the compromise agreement the entire restructured debt amounting to Rs. 176.359 million along with mark up of Rs. 119.824 million (eligible for waiver outstanding as of date of restructuring) have immediately become payable therefore provision for markup should be made in these financial statements. Further some of the lenders filed suit for execution of consent decree. These conditions lead us to believe that the going concern assumption used in preparation of these Condensed interim financial Statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.
- b) In addition to above, since the proposal, has not been accepted so far and the lenders, instead of the accepting the restructuring Proposal, the provision of mark up should be made in the Condensed interim financial statements. Had the provisions for the mark up, as discussed in preceding paragraph (a), been made in these financial statements, the loss after taxation and Mark up payable would have been higher and shareholders' equity would have been lower by Rs. 119.824 (June 30, 2021: Rs. 119.824) million.

Adverse Conclusion

Our review indicates that, because of the significance of the matter discussed in paragraph (a) coupled with financial impact of matter discussed in paragraph (b) above, these accompanying interim financial Statements as of and for the six months period ended December 31, 2021 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial Reporting.

Other matter

The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income and the notes forming part thereof for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed and we do not express a conclusion on them, we are required to review only the cumulative figures for the Six month ended December 31, 2021.

The engagement partner on the review resulting in this independent auditor's review report is Mohammad Tariq.

Dated: February 24, 2022

Place: Karachi

UDIN Number: AR202110129SDEzHPMBv

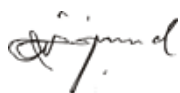


CHARTERED ACCOUNTANTS
(Mohammad Tariq)

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	(Un-Audited) December 31, 2021	(Audited) June 30, 2021
Notes	----- (Rupees) -----	
<u>EQUITY AND LIABILITIES</u>		
<u>CAPITAL & RESERVES</u>		
<u>Authorized</u>		
12,000,000 (June 30, 2021 : 12,000,000) Ordinary Shares of Rs.10/- each	120,000,000	120,000,000
Issued, Subscribed and Paid-up Capital	115,610,280	115,610,280
Revenue Reserves	(580,796,365)	(572,419,551)
Revaluation surplus on property, plant and equipment (Capital Reserve)	559,164,999	568,249,438
	93,978,914	111,440,167
<u>NON-CURRENT LIABILITIES</u>		
<u>Deferred Liabilities</u>		
Provision for staff gratuity	42,320,714	42,395,114
Deferred taxation	71,144,235	74,854,781
	113,464,949	117,249,895
<u>CURRENT LIABILITIES</u>		
Trade and other Payables	81,598,965	85,237,630
Mark-up accrued on loans	125,804,532	117,404,448
Unclaimed dividend	308,319	308,319
Over due portion long term loans	176,355,579	176,355,579
Short Term Borrowings	190,211,484	205,341,486
	574,278,879	584,647,462
Contingencies and Commitments	6 -	--
	781,722,742	813,337,524
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant and Equipment	7 676,200,697	697,024,364
Long Term Deposits	2,118,562	2,118,562
<u>CURRENT ASSETS</u>		
Stores, Spares and Loose Tools	15,015,078	15,015,078
Stock-in-Trade	37,638,566	37,638,566
Trade Debts - Considered Good	23,384,937	26,730,505
Advances - Considered good	465,628	2,455,047
Short term deposits and other receivable	11,940,790	11,940,790
Other Receivables - Unsecured, Considered good	75,000	5,075,000
Income Tax Refunds and Advances	11,488,022	11,487,885
Cash and Bank Balances	3,395,462	3,851,727
	103,403,483	114,194,598
	781,722,742	813,337,524

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

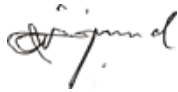


Syed Maqbool Ali
Director

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Half Year Ended		Quarter Ended	
	July-Dec	July-Dec	Oct-Dec	Oct-Dec
	2021	2020	2021	2020
	Notes (Rupees)			
Sales - Net	-	-	-	-
Cost of Sales	(24,431,465)	(26,391,457)	(12,502,861)	(13,374,694)
Gross (Loss)	(24,431,465)	(26,391,457)	(12,502,861)	(13,374,694)
Operating expenses				
Administrative and General Expenses	(3,151,881)	(5,340,894)	(1,556,456)	(2,762,013)
Reversal of provision for doubtful debts	14,936,500	-	14,936,500	-
Operating (Loss)	(12,646,846)	(31,732,351)	877,183	(16,136,707)
Finance Cost	(8,524,952)	(8,192,558)	(4,288,385)	(4,146,626)
(Loss) before taxation	(21,171,798)	(39,924,909)	(3,411,202)	(20,283,333)
Taxation				
Deferred	3,710,545	4,148,289	1,855,272	2,074,145
	3,710,545	4,148,289	1,855,272	2,074,145
(Loss) after taxation	(17,461,253)	(35,776,620)	(1,555,930)	(18,209,188)
(Loss) Per Share - Basic and diluted (Rupees)	11	(1.51)	(3.09)	(0.13)
		(1.57)		

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



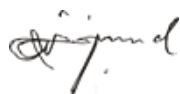
Syed Maqbool Ali
Director

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

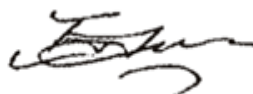
Notes	July-Dec 2021 ----- (Rupees) -----	July-Dec 2020
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before Taxation	(21,171,798)	(39,924,909)
Adjustment for Non-Cash and Other Items:		
Depreciation	20,823,667	22,852,223
(Reversal) of provision for doubtful debts	(14,936,500)	--
Finance Cost	8,524,952	8,192,558
	<u>14,412,119</u>	<u>31,044,781</u>
	(6,759,679)	(8,880,128)
Working Capital Changes		
<i>(Increase) / Decrease in Current Assets</i>		
Trade Debts	18,282,068	9,165,305
Advances- Considered good	1,989,419	--
Other Receivables - Unsecured, Considered good	5,000,000	--
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade Creditors & others Payable	(3,638,665)	909,569
Short Term Borrowings	(15,130,002)	--
	<u>6,502,820</u>	<u>10,074,874</u>
Taxes Paid	(137)	(717)
Gratuity Paid	(74,400)	(48,000)
	<u>(74,537)</u>	<u>(48,717)</u>
Net Cash Inflow / (Outflow) from Operating Activities	(331,396)	1,146,029
CASH FLOW FROM INVESTING ACTIVITIES		
Long term deposits	-	--
Net Cash Inflow / (Outflow) from Investing Activities	-	--
CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost Paid	(124,869)	(1,225,145)
Net Cash Inflow / (Outflow) from Financing Activities	(124,869)	(1,225,145)
Net (decrease) / Increase in cash and cash equivalents	(456,265)	(79,116)
Cash and cash equivalents at the beginning of the period	3,851,727	3,452,986
Cash and cash equivalents at the end of the period	3,395,462	3,373,870

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

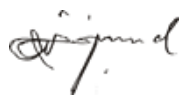


Syed Maqbool Ali
Director

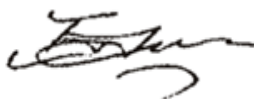
DEWAN MUSHTAQ TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	<u>Half Year Ended</u>		<u>Quarter Ended</u>	
	<u>July-Dec</u> <u>2021</u>	<u>July-Dec</u> <u>2020</u>	<u>Oct-Dec</u> <u>2021</u>	<u>Oct-Dec</u> <u>2020</u>
(Loss) for the period	(17,461,253)	(35,776,620)	(1,555,930)	(18,209,188)
(Rupees)				
Other comprehensive Income:				
Effect of change in tax rates on balance of revaluation on property, plant and equipment	-	-	-	-
Total comprehensive (Loss) for the period	<u><u>(17,461,253)</u></u>	<u><u>(35,776,620)</u></u>	<u><u>(1,555,930)</u></u>	<u><u>(18,209,188)</u></u>

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

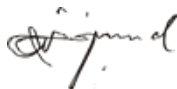


Syed Maqbool Ali
Director

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Issued, subscribed and paid-up capital	Revenue Reserves		Capital Reserves	Total
		General Reserve	Accumulated Losses	Revaluation Surplus on property, plant & equipment	
----- (Rupees) -----					
Balance as at 1st July 2020	115,610,280	45,000,000	(584,938,998)	588,561,751	164,233,033
Total comprehensive (Loss) for period					
(Loss) for the period	-	-	(35,776,620)	-	(35,776,620)
Other comprehensive income for the period	-	-	-	-	-
	-	-	(35,776,620)	-	(35,776,620)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	-	-	10,156,157	(10,156,157)	-
Balance as at December 31, 2020	115,610,280	45,000,000	(610,559,461)	578,405,594	128,456,413
Balance as at July 01, 2021	115,610,280	45,000,000	(617,419,551)	568,249,438	111,440,167
Total comprehensive (Loss) for period					
(Loss) for the period	-	-	(17,461,253)	-	(17,461,253)
Other comprehensive income for the period	-	-	-	-	-
	-	-	(17,461,253)	-	(17,461,253)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	-	-	9,084,439	(9,084,439)	-
Balance as at December 31, 2021	115,610,280	45,000,000	(625,796,365)	559,164,999	93,978,914

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1. Corporate Information

Dewan Mushtaq Textile Mills Limited (the Company) was incorporated in Pakistan, as a public limited company on November 04, 1970, under the Companies Act, 1913 (Now the Companies Act, 2017) and its shares are listed on Pakistan Stock Exchange Limited. The registered office of the company is located at 3-A, Lalazar, Beach Hotel Road, Karachi, Pakistan; while its manufacturing facilities are located at A-30, S.I.T.E., Hyderabad, Sindh, Pakistan. The principal activity of the Company is trading, manufacturing and sale of yarn, however operation are suspended since July 2016.

2 Going Concern Assumption

These condensed interim financial statements of the company for the period ended half year 31, December 2021 reflect that company has sustained a net loss after taxation of Rs.17.461 million (2021: Rs.52.793 million) and as of that date company has negative reserves of Rs. 580.796 million have resulted in negative equity of Rs.93.979 million. Further the company's short term borrowing facilities having limit to the extent of Rs.100 million have expired and not been renewed. Company defaulted in repayment of its restructured liabilities due to liquidity crunch and adverse factors being faced by the textile industry in the country. Due to the aforementioned scenario, the Company, for the time being, has also suspended its manufacturing & other operations since July 2016. Accordingly, the entire restructured liabilities along with markup eligible for waiver become immediately repayable. These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, therefore the company may not be able to realize its assets and discharge its liabilities during the normal course of business.

These condensed interim financial statements have been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will further streamline the funding requirements of the Company which will ultimately help the management to run the operations smoothly with optimum utilization of production capacity. As the conditions mentioned in the foregoing paragraph are temporary and would reverse therefore the preparation of these condensed interim financial statements using going concern assumption is justified.

3 BASIS OF PREPARATION

- 3.1** These condensed interim financial statements of the Company for the half year ended 31 December 2021 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.

- 3.2** 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 2021.
- 3.3** The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended 31 December 2021 and 2020 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 31 December 2021 and 2020.

4 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

- 4.1** The accounting policies and methods of computation adopted and applied in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021.

4.2 Application of new and revised International Financial Reporting Standards

4.2.1 Standards, amendments to standards and interpretations becoming effective during the period

There are certain new standards, amendments to existing standards and new interpretations on approved accounting standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2021 but are considered not to be relevant or not to have any material effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

4.2.2 Standards, amendments to standards and interpretations becoming effective in future periods.

There are certain new standards, amendments to standards and interpretations that will become effective in future accounting periods but are considered not to be relevant or not to have any material effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 5.1 The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events, revision to accounting estimates are recognized prospectively commencing from the period of revision.
- 5.2 Judgments and estimates made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended June 30, 2021.
- 5.3 The Company's financial risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements of the Company for the year ended June 30, 2021

6 Contingencies and Commitments

There has been no significant change in the contingencies and commitments since the last audited financial statements for the year ended June 30, 2021.

		(Un-Audited) July-Dec 2021	(Audited) June'30 2021
(Rupees)			
7 Property, Plant & Equipment's			
Operating Fixed Assets	7.1	<u>676,200,697</u>	<u>697,024,364</u>
		<u>676,200,697</u>	<u>697,024,364</u>
7.1 Operating Fixed Assets			
Opening written down value		<u>697,024,364</u>	742,728,810
Depreciation during the period / year		<u>(20,823,667)</u>	(45,704,446)
Closing written down value		<u>676,200,697</u>	<u>697,024,364</u>

8 Long Term Investment

Investment in associate

Dewan Salman Fibre Limited

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- 8.1 Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship, member of yousuf dewan companies and its ownership interest of 5.42% in investee company.

8.2 Investment in Dewan Salman Fibre Limited - at equity method

Number of shares held		19,864,518
Cost of investment (Rupees)		40,000,000
Fair value of investment (Rupees)	<u> </u>	<u>17,480,776</u>
Ownership interest	<u> </u>	<u>5.42%</u>

8.3 Investment in associated company was made in accordance with the requirement of then effective Companies Act, 2017. As the Company's share of losses exceed its interest in the associate, the Company has discontinued recognising its share of further losses. Market value is based on last available quoted price as of February 19, 2018.

8.4 The Company vide its Board Resolution dated April 26, 2021 has approved to sell the investment of shares 19,864,518 in associate namely Dewan Salman Fibre Limited at a Price of Rs. 1/ per share. The share selling price has approved by the Board of Directors because of suspension of trading of shares of DSFL at Pakistan Stock Exchange. The approved share selling price is higher than the last traded price of February 19, 2018 at Rs. 0.88 per share. The management is of the opinion that if the suspension will be lifted the starting trading price would have been lesser than the last traded price. The company had sold its shares at agreed Price i.e. Rs. 1 per share to its sponsor vide agreement dated June 17, 2021.

	(Un-Audited) July-Dec 2021	(Un-Audited) July-Dec 2020
9 Cash and Cash Equivalents		
Cash and Bank Balances	3,395,462	3,373,870
	<u>3,395,462</u>	<u>3,373,870</u>

10 Related Party Transactions

During the period provident fund contribution of Rs.0.150 million (Dec 2020: Rs.0.291 million).

	July-Dec 2021	July-Dec 2020
11 (Loss) Per Share - Basic and diluted		
(Loss) after Taxation	(17,461,253)	(35,776,620)
Weighted Average Number of Ordinary Share (Nos)	11,561,028	11,561,028
(Loss) Per Share - Basic and diluted (Rupees)	<u>(1.51)</u>	<u>(3.09)</u>

12 CORRESPONDING FIGURES

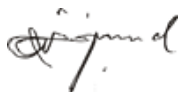
In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", balance sheet has been compared with the balances of annual financial statements, whereas profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial period

13 Date Of Authorization For Issue

These condensed interim financial statements were authorized for issue on February 24, 2022 by the Board of Directors of the Company.

14 General

Figures have been rounded off to the nearest rupees unless otherwise stated.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director

ڈائریکٹرز رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 31 دسمبر 2021ء کو ختم ہونے والی ششماہی کے لئے پینیز ایکٹ 2017ء کے سیکشن 237 اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ کوڈ آف کارپوریٹ گورننس کی تعمیل کرتے ہوئے غیر میعاد عبوری مالیاتی حسابات پیش کرنے پر خوشی محسوس کر رہے ہیں۔

مالیاتی نتائج (فیٹری بند):

دوران مدت آپریشن بند ہونے کے باعث کمپنی کی خالص فروخت صفر رہی۔ فی الحال کمپنی جولائی 2016ء سے اپنی پیداواری سرگرمیاں معطل کر چکی ہے جو کہ صنعت کو درپیش مسائل اور کاروباری سرمایہ میں کمی کے باعث آپریشن جاری نہیں کیا جاسکا۔

کمپنی کے آڈیٹرز نے آپریشن کی بندش، قرضہ جات کی قسطوں کی ادائیگی اور مارک اپ سے متعلق غیر عدم فراہمی جو کہ ان کی جائزہ رپورٹ میں بیان کیا گیا ہے، کے باعث مستقبل کی تشویش سے متعلق اپنی جائزہ رپورٹ میں منفی نتیجہ کا اظہار کیا ہے۔ مجموعی عبوری مالی بیانات تشویش کا اظہار کرتے ہوئے تیار کیئے گئے ہیں کیونکہ کمپنی نے اپنے قرض دہندگان سے اپنی ذمہ داریوں کی مزید تنظیم نو کے لئے رابطہ کیا ہے جو کہ جاری ہے۔ انتظامیہ کو امید ہے کہ جلد ہی اس طرح کی نظر ثانی کو حتمی شکل دے دی جائے گی جس سے کمپنی اپنے آپریشنز دوبارہ شروع کر سکے گی۔

مستقبل کا نظریہ:

اگرچہ اقتصادی بحالی جاری ہے، معیشت کو افراط زر کے ساتھ ساتھ بیرونی شعبے کے دباؤ کا بھی سامنا ہے۔ مزید توقع ہے کہ موجودہ ملکی اور غیر ملکی اقتصادی جارحیت سے مجموعی طور پر ملکی برآمدات کو فائدہ حاصل ہوگا۔ تاہم، اقتصادی لچک اور بحالی کے آثار کے باوجود، موجودہ ترقی کی پائیداری کا تقاضا ہے کہ تجارتی خسارہ قابل انتظام رہے۔ خام مال کی زیادہ درآمدات، پلانٹ اور مشینری کی درآمد، بین الاقوامی تیل کی قیمتوں میں بڑھتے ہوئے رجحان اور روپے کی قدر میں کمی کی وجہ سے کرنٹ اکاؤنٹ پر کچھ دباؤ ہو سکتا ہے۔ مزید یہ کہ قرضہ جات، بلند افراط زر، زندگی کی بڑھتی ہوئی قیمت، غیر مستحکم سیاسی حالات اور جغرافیائی سیاسی تناؤ کے چیلنجز اس نقطہ نظر کو غیر واضح کر سکتے ہیں۔ اس سلسلے میں حکومت کو درآمدات پر کڑی نظر رکھنے کی ضرورت ہے، جو کہ غیر ملکی زرمبادلہ کے ذخائر اور اس کے مطابق شرح مبادلہ پر اثر انداز ہو سکتے ہیں۔

تاہم، کسی بھی تنظیم کی کارکردگی بنیادی طور پر حکومتی پالیسیوں میں مستقل مزاجی اور گیس کی فراہمی سمیت بنیادی سہولیات کی فراہمی پر منحصر ہوتی ہے، جس میں کسی بھی قسم کی رکاوٹ تنظیم کی کارکردگی پر اثر انداز ہوتی ہے۔ اسی مناسبت سے، کمپنی امید کرتی ہے کہ آنے والی حکومتی پالیسیاں کاروبار کی طویل مدتی ترقی کے لیے سازگار ہوں۔

نتیجہ:

نتیجہ کے حوالے سے ہم اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم ائمہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثناء آمین۔

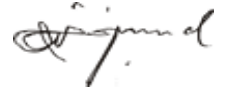
میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے



سید مقبول علی

ڈائریکٹر



اشتیاق احمد

چیف ایگزیکٹو آفیسر

مورخہ: 24 فروری 2022