



BILAL

FIBRES LIMITED

(ISO 9001:2000 CERTIFIED)



FIRST QUARTERLY REPORT

September 30, 2022

(UN-AUDITED)



BILAL FIBRES LIMITED

COMPANY INFORMATION

Chief Executive	Mr. Naeem Omer
Chairman	Mr. Muhammad Omer
Directors	Mr. Naeem Omer Mr. Anwaar Abbass Mr. Muhammad Asghar Mr. Muhammad Aslam Bhatti Mr. Muhammad Kashif Mr. Muhammad Omer Mr. Shahid Iqbal
Audit Committee	
Chairman:	Mr. Muhammad Aslam Bhatti
Member:	Mr. Anwaar Abbass
Member:	Mr. Muhammad Omer
Human Resource & Remuneration Committee	
Chairman:	Mr. Muhammad Kashif
Member:	Mr. Muhammad Asghar
Member:	Mr. Shahid Iqbal
Company Secretary	Mr. Muhammad Ijaz Shahid
Auditors	M/s Mushtaq & Co. Chartered Accountants 19-B, Block G, Gulberg-III, Lahore.
Bankers	The Bank of Punjab MCB (NIB) Bank Limited Silk Bank Limited
Share Registrar	M/s Corplink (Pvt.) Ltd. Wings Arcade, 1-K, Commercial, Model Town, Lahore.
Legal Advisor	Aakif Majeed But 9-G, Mustaq Gurmani Road, Gulberg II, Lahore
Head Office / Registered Office	109-A, Street No.3 Cavalry Ground, Lahore Cantt Lahore, Pakistan Ph: +92 42 - 3667 2423 - 25 Fax No. +92 42 - 3717 5482 Email: fm@bilalfibres.com Web site: www.bilalfibres.com
Mills	38th KM, Sheikhpura Road, Tehsil Jaranwala, District Faisalabad.



BILAL FIBRES LIMITED

DIRECTORS' REPORT

The Directors of your Company are presenting before you the un-audited condensed interim financial statements of the Company for the first quarter ended September 30, 2022.

These Accounts have been prepared in compliance with IAS-34 and being submitted as required under section 237 of Companies Act, 2017.

The Company has incurred a loss of Rs.4.522 million for the period ended September 30, 2022 as compared to last year period ended September 30, 2021 loss of Rs 4.827 million.

OPERATING PERFORMANCE

During the period under review, your Company continued to sustain the prevailing critical challenges with regard to the economic conditions and the textile sector.

FUTURE PROSPECTS

The management has been working hard on resolution of the litigation with the banking companies and also very optimistic for revival of the textile sector.

ACKNOWLEDGEMENT

Hereby, we do appreciate the efforts for the continued support and cooperation extended to us by our customers, suppliers and bankers. The invaluable services rendered by our employees during such crucial time are also thankfully recognized.

آپ کی کمپنی کے ڈائریکٹرز آپ کے سامنے 30 ستمبر 2022 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ کنڈینسڈ عبوری مالیاتی بیانات پیش کر رہے ہیں۔

یہ اکاؤنٹس IAS-34 کی قیاس میں تیار کیے گئے ہیں اور کمپنیز ایکٹ، 2017 کے سیکشن 237 کے تحت ضرورت کے مطابق جمع کیے گئے ہیں۔

کمپنی کو 30 ستمبر 2022 کو ختم ہونے والی مدت کے لیے 4.522 ملین روپے کا نقصان ہوا ہے جبکہ گزشتہ سال 30 ستمبر 2021 کو ختم ہونے والی مدت کے مقابلے میں 4.827 ملین روپے کا نقصان ہوا ہے۔

آپریٹنگ پرفارمنس

زیر جائزہ مدت کے دوران، آپ کی کمپنی نے معاشی حالات اور ٹیکسٹائل سیکٹر کے حوالے سے موجود اہم چیلنجوں کو برقرار رکھا۔

مستقبل کے امکانات

انتظامیہ بینکنگ کمپنیوں کے ساتھ قانونی چارہ جوئی کے حل کے لیے سخت محنت کر رہی ہے اور ٹیکسٹائل سیکٹر کی بحالی کے لیے بھی بہت پرامید ہے۔

اعتراف

اس طرح، ہم اپنے صارفین، فراہم کنندگان اور بینکرز کی طرف سے مسلسل تعاون اور تعاون کی کوششوں کی تعریف کرتے ہیں۔ ایسے اہم وقت کے دوران ہمارے ملازمین کی جانب سے پیش کی گئی اہم خدمات کو بھی شکر گزار تسلیم کیا جاتا ہے۔

مناظرب پروڈ

نعمت عمر
چیف ایگزیکٹو

Lahore
October 28, 2022



BILAL FIBRES LIMITED

CHAIRMAN'S REVIEW

On behalf of the Board of Directors, I am presenting to you the un-audited condensed interim financial statements of the Company for the first quarter ended September 30, 2022. Along with my review on the performance of your Company.

COMPANY'S PERFORMANCE:

The management has been working very hard for resolution of the litigation cases with the banking companies and very optimistic for settlement of the cases positively.

FUTURE PROSPECTS:

The future of the company mainly depending on the future of the textile sector in Pakistan. Meanwhile, the mill has been working on lease whereas we have also been looking for other best possible and workable business options simultaneously.

ACKNOWLEDGEMENT:

I take this opportunity on my and on behalf of the board of directors of your company to acknowledge and thank the dedicated and sincere services of our employees. Whereas, I am also grateful to our bankers, shareholders and the government organizations for their support and usual cooperation.

میں آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر، 2022 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈٹ شدہ حسابات کے ساتھ آپ کی کمپنی کی کارکردگی پر اپنا جائزہ پیش کر رہا ہوں۔

کمپنی کی کارکردگی

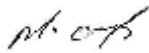
انتظامیہ بینکاری کمپنیوں سے قانونی چارہ جوئی کے معاملات حل کرنے کے لئے کوششیں کر رہی ہے اور ان کے حل کے لئے بہت پر امید ہے۔

مستقبل کے امکانات

کمپنی کا مستقبل بنیادی طور پر پاکستان میں ٹیکسٹائل شعبہ کے مستقبل پر انحصار کرتا ہے۔ دریں اثناء ہم دیگر بہترین اور قابل عمل کاروباری مواقع کی تلاش میں ہیں۔

اظہار تشکر

میری اور کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے میں کمپنی کے عملے اور کارکنوں کی طرف سے فراہم کردہ مسلسل / وقف خدمات اور سخت محنت کے لئے زبردست خراج تحسین پیش کرتا ہوں۔ میں کمپنی کے مینجنگز، شیئرز ہولڈرز اور سرکاری اداروں کی مسلسل حمایت کا شکریہ ادا کرتا ہوں۔



(محمد)

چیرمین

Lahore
October 28, 2022



BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

Note	Un-Audited September 30, 2022	Audited June 30, 2022
	Rupees	
NON-CURRENT ASSETS		
Property, plant and equipment	350,100,680	354,570,907
Right of use assets	48,670,832	49,286,918
Investment Property	572,997,757	572,997,757
Long term deposits	1,156,180	1,156,180
	972,925,449	978,011,762
CURRENT ASSETS		
Stock in trade	57,872,747	57,872,747
Trade deposits and short term prepayments	2,925,765	2,925,765
Other receivables	18,120,975	17,120,975
Sales tax refundable	818,786	818,786
Tax Refunds Due From Government	3,515,444	3,515,444
Cash and bank balances	429,496	445,250
	83,683,213	82,698,967
	1,056,608,662	1,060,710,729
SHARE CAPITAL AND RESERVES		
Authorised share capital		
15,000,000 (June 30, 2022: 15,000,000) Ordinary shares of Rs. 10 each	150,000,000	150,000,000
Issued, subscribed and paid up capital		
14,100,000 (June 30, 2022: 14,100,000) Ordinary shares of Rs. 10 each	141,000,000	141,000,000
Accumulated loss	(505,231,748)	(501,564,756)
Surplus on revaluation of property, plant and equipment	406,668,859	407,523,932
	42,437,111	46,959,176
NON CURRENT LIABILITIES		
Long term financing from Banking Companies - Secured	-	-
Long term financing from directors and associates	-	-
Liabilities against assets subject to finance lease	-	-
Deferred liabilities	7,561,010	7,561,010
	7,561,010	7,561,010
CURRENT LIABILITIES		
Trade and other payables	42,914,534	42,494,534
Unclaimed dividend	235,776	235,776
Accrued Interest/Mark up payable	97,520,035	97,520,035
Loan from directors and associates	128,122,951	128,122,951
Short term borrowings	136,365,534	136,365,534
Current portion of:		
Long term financing from Banking Companies	493,145,381	493,145,381
Liabilities against assets subject to finance lease	108,306,331	108,306,331
	1,006,610,541	1,006,190,542
Contingencies and commitments		
	-	-
	1,056,608,663	1,060,710,728

The annexed notes form part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
	(Rupees)	
Sales	-	-
Cost of sales	-	-
Gross loss	-	-
Distribution cost	-	-
Administrative expenses	(6,021,313)	(6,327,468)
Other income	1,500,000	1,500,000
Finance cost	(754)	(29)
	(4,522,067)	(4,827,497)
Loss before taxation	(4,522,067)	(4,827,497)
Taxation	-	-
Loss after taxation	(4,522,067)	(4,827,497)
Loss per share - basic and diluted	(0.32)	(0.34)

The annexed notes form part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
	(Rupees)	
Loss after taxation	(4,522,067)	(4,827,497)
Other comprehensive income	-	-
Total comprehensive income / (loss) for the period	(4,522,067)	(4,827,497)

The annexed notes form part of these financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Share capital	Revenue Reserve Accumulated loss	Capital Reserve Surplus on revaluation of fixed assets	Total
	(Rupees)			
Balance as on 01 July 2021	141,000,000	(449,607,092)	411,124,240	102,517,148
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	3,600,308	(3,600,308)	-
Net Profit/(loss) for the year	-	(55,557,970)	-	(55,557,970)
Other comprehensive income for the period	-	-	-	-
Balance as on June 30, 2022	141,000,000	(501,564,754)	407,523,932	46,959,178
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	855,073	(855,073)	-
Net Profit/(loss) for the year	-	(4,522,067)	-	(4,522,067)
Other comprehensive income for the period	-	-	-	-
Balance as on September 30, 2022	141,000,000	(505,231,748)	406,668,859	42,437,111

The annexed notes form part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



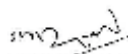
BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

Note	September 30, 2022	September 30, 2021
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(4,522,067)	(4,827,497)
Adjustment for non-cash and other related items:		
Depreciation on operating fixed assets	4,470,227	4,709,957
Depreciation on right of use assets	616,086	648,511
Finance cost	754	29
Cash flow generated/(used in) from operating activities before working capital changes	565,000	531,000
Effect on cash flow due to working capital changes :		
(Increase) / decrease in current assets:		
Other receivables	(1,000,000)	100,000
Increase / (decrease) in current liabilities:		
Increase in trade and other payables	420,000	6,342,000
Net cash used in working capital	(580,000)	6,442,000
Cash generated from operations	(15,000)	6,973,000
Finance cost	(754)	(29)
Net cash generated from operating activities	(15,754)	6,972,971
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in short term borrowings - net	-	(7,100,000)
Increase/(decrease) in financing from directors and associates	-	-
Net cash (used in) financing activities	-	(7,100,000)
Net (decrease)/increase in cash and cash equivalents	(15,754)	(127,029)
Cash and cash equivalents at the beginning of the period	445,250	622,540
Cash and cash equivalents at the end of the period	429,496	495,511

The annexed notes form part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



BILAL FIBRES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 The company is limited by shares, incorporated in Pakistan on April 13, 1987 under the Companies Ordinance, 1984 (Repealed with the enactment of the companies Act, 2017) and the shares of the company are listed on Pakistan Stock Exchange Limited. The principal business of the company is manufacture and sale of yarn. The geographical location and address of the company's business units including plant as follows.

Business Unit	Geographical location and address
Registered office	109-A, Street No.3, Cavalry Ground, Lahore Cantt, Lahore
Manufacturing	38.KM, Sheikhpura Road, Tehsil Jarranwala, District, Faisalabad

1.2 Significant transactions and events affecting the Company's financial position and performance

The Company had closed its operation since June 16, 2016 and reported accumulated losses of Rupees 505.231 million (June 30, 2022: Rupees 501.564 million). The current liabilities exceeded its current assets by Rupees 922.928 million (June 30, 2022: Rupees 923.492 million) as of balance sheet date. These conditions along with adverse key financial ratios and company's court cases with the banking companies on its inability to comply with covenants of loan agreements and to pay long term financing liabilities against assets subject to finance lease, short term borrowings and related finance costs on due dates indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

These financial statements, however, have been prepared under the going concern assumptions as the management after settling trade creditors is seeking amicable settlement of cases with the banking companies and at the same time in search of local or international investors to enter into joint venture arrangement to invest in the plant and machinery in order to compete with the international market players. Moreover, In order to meet the day to day expenses, the company has leased out the factory premises.

2 BASIS OF PREPARATION

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2022.

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Change in accounting standards, interpretations and amendments to published approved accounting standards

a) Standards, interpretations and amendments to published approved accounting standards that are

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2020. However, these do not have any significant impact on the Company's financial reporting.

b) Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2022. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

2.3 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.



BILAL FIBRES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

2.4 Accounting Estimates and Judgments

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key source of the estimates are the same as those that applied to the financial statements for the year ended June 30, 2022.

2.5 Functional currency

This financial information is prepared in Pak Rupees which is the Company's functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2022 except as disclosed otherwise.

	Note	September 30, 2022	June 30, 2022
		Rupees	
4 PROPERTY PLANT & EQUIPMENT			
Operating assets	4.1	350,100,680	354,570,907
Right-of-use assets	4.2	48,670,832	49,286,918
		398,771,512	403,857,825
4.1 Operating assets			
Opening Book Value		354,570,907	373,410,730
Depreciation charged during the period / year		(4,470,227)	(18,839,823)
		350,100,680	354,570,907
4.2 Right-of-use assets			
Opening Balance		49,286,918	51,880,966
Depreciation charged during the period		(616,086)	(2,594,048)
		48,670,832	49,286,918
5 INVESTMENT PROPERTY			
Opening net book value		572,997,757	556,308,500
Fair Value Gain		-	16,689,257
Closing net book value		572,997,757	572,997,757

5.1 Investment property represents the fair value of land and building leased out by the company to MKB Spinning Mills Limited since April 01, 2017. The fair value of investment property is determined by the M/s Akram Enterprises independent valuer as at July 11, 2022 having relevant professional experience. The fair market value was determined from market based evidence in accordance with the market value of similar land and building existing in near vicinity.

There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

5.2 Forced Sale Value

The forced sale value of Land and Building is 249.240 and 237.807 million respectively.

	Notes	September 30, 2022	June 30, 2022
		Rupees	
6 LOAN FROM DIRECTORS AND ASSOCIATES - UNSECURED			
Mian Naeem Omer		92,622,951	92,622,951
Mian Muhammad Saleem Omer		11,000,000	11,000,000
Mrs. Surrya Begum		1,500,000	1,500,000
Mrs. Farrah Naeem		23,000,000	23,000,000
		128,122,951	128,122,951

6.1 During the year ended June 30, 2022, the agreement has been revised and the loan is payable on demand of directors and associates.

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies and commitments are same as at June 30, 2022.

8 TRANSACTION WITH RELATED PARTIES

The related parties comprise of associated undertakings, other related companies and key management personnel. The company in the normal course of business carried out transactions with related parties. There are no other significant related party.

9 GENERAL

9.1 There are no other significant activities since June 30, 2022 affecting the interim financial information.

9.2 Figures have been rounded off to the nearest Rupee.

10 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on **October 28, 2022**.

CHIEF EXECUTIVE

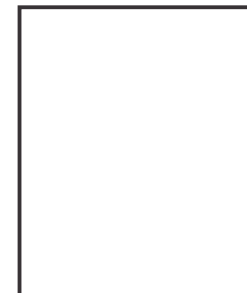
CHIEF FINANCIAL OFFICER

DIRECTOR

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