



BILAL

FIBERS LIMITED

**QUARTERLY
REPORT (UN-AUDITED)**

2ND QUARTER ENDED

DECEMBER, 2024



COMPANY INFORMATION

Chief Executive Chairman	Mr. Naeem Omer 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. 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, i-K, Commercial Model Town, Lahore
Legal Advisor	Aakif Majeed But 9-G, Mustaq Gurmani Road, Gulberg II, Lahore
Registered Office	Plaza No. 47,48-B, Gate No.1, B Block Elite Town, 29 Km Main Ferozepur Road Lahore Ph: 0300-8659501 Email: fm@bilalfibres.com Web site: www.bilalfibres.com
Mills	38 th KM, Sheikhpura Road, Tehsil Jaranwala, District Faisalabad



DIRECTORS' REPORT

The Directors of your Company are presenting before you the un-audited Accounts reviewed by the external auditors of the Company for the half year ended 31st December 2024.

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.4.501 million for the period ended December 31, 2024 as compared to last half year comparative period loss of Rs. 9.510 million.

OPERATING PERFORMANCE

During the period under review, mills operations had been shut down due to challenging conditions faced by the Company and therefore there was no business conducted.

FUTURE PROSPECTS

With the successful restructuring of the company's loans in collaboration with our banking partners, the company is now strategically focused on stabilizing its financial position and enhancing operational efficiency. As part of our long-term sustainability plan, the management has proposed the disposal of certain fixed assets, subject to the approval of shareholders. This step is expected to optimize resource utilization and strengthen the company's financial health. Additionally, the company remains committed to exploring new avenues for growth, improving operational efficiencies, and enhancing profitability. With prudent financial management and strategic decision-making, we are confident in steering the company toward long-term stability and value creation for our stakeholders.

The management of your Company has continuously been doing efforts for the best possible solution to the benefit of all the stakeholders. We would like to thank all our shareholders for their continued support and cooperation.

STATUS OF THE AUDITORS' REVIEW REPORT

The auditors of the company have given adverse opinion issued by the auditors regarding certain matters, including the classification of Property, Plant & Equipment, the reversal of markup, and the misinterpretation of revaluation surplus under IAS 8. Additionally, discrepancies identified in bank Guarantee confirmations amounting to Rs. 0.150 million, along with the non-calculation of tax and deferred tax, and non-compliance with Section 244 of the Companies Act, 2017, have been noted. The management is committed to addressing these concerns in a timely manner by implementing necessary corrective actions, ensuring compliance with applicable accounting standards and regulatory requirements. We are actively working with our finance team and external advisors to rectify these issues and enhance our financial reporting processes to prevent such occurrences in the future. The Board remains dedicated to maintaining transparency and upholding the highest standards of corporate governance.

ACKNOWLEDGEMENT

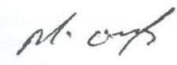
Hereby, we do appreciate the efforts for the continued support and cooperation extended to us by our customers, suppliers and bankers. The invaluable services rendered by our employees during such crucial time are also thankfully recognized.

For and behalf of the by Order of Board

Chief Executive



Director



Lahore
February 28, 2025



ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز آپ کے سامنے 31 دسمبر 2024 کو ختم ہونے والے ششماہی کے لیے کمپنی کے بیرونی آڈیٹرز کے ذریعے نظرثانی شدہ غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔ یہ اکاؤنٹس IAS-34 کی تعمیل میں تیار کیے گئے ہیں اور کمپنیز ایکٹ، 2017 کے سیکشن 237 کے تحت ضرورت کے مطابق جمع کیے گئے ہیں۔

کمپنی کو 31 دسمبر 2024 کو ختم ہونے والی مدت کے لیے 4.501 ملین روپے کا نقصان ہوا ہے جبکہ گزشتہ ششماہی کے تقابلی مدت کے دوران 9.510 ملین کا نقصان ہوا۔

آپریٹنگ پرفارمنس

زیر جائزہ مدت کے دوران، کمپنی کو درپیش چیلنجنگ حالات کی وجہ سے ملوں کے آپریشنز بند کر دیے گئے تھے اور اس وجہ سے کوئی کاروبار نہیں ہوا۔

مستقبل کے امکانات

ہمارے بینکاری شراکت داروں کے تعاون سے کمپنی کے قرضوں کی کامیاب تنظیم نو کے ساتھ، کمپنی اب اسٹریٹجک طور پر اپنی مالی پوزیشن کو مستحکم کرنے اور آپریشنل کارکردگی کو بڑھانے پر توجہ مرکوز کر رہی ہے۔ ہمارے طویل مدتی پائیداری منصوبے کے حصے کے طور پر، انتظامیہ نے کچھ طے شدہ اثاثوں کو ٹھکانے لگانے کی تجویز پیش کی ہے، جو شیئر ہولڈرز کی منظوری سے مشروط ہے۔ اس اقدام سے وسائل کے استعمال کو بہتر بنانے اور کمپنی کی مالی صحت کو مضبوط بنانے کی توقع ہے۔ مزید برآں، کمپنی ترقی کی نئی راہیں تلاش کرنے، آپریشنل استعداد کار کو بہتر بنانے اور منافع میں اضافے کے لئے پرعزم ہے۔ دانشمندانہ مالیاتی انتظام اور اسٹریٹجک فیصلہ سازی کے ساتھ، ہم اپنے اسٹیک ہولڈرز کے لئے طویل مدتی استحکام اور قدر کی تخلیق کی طرف کمپنی کو چلانے میں پراعتماد ہیں۔

آپ کی کمپنی کی انتظامیہ تمام اسٹیک ہولڈرز کے فائدے کے لئے بہترین ممکنہ حل کے لئے مسلسل کوششیں کر رہی ہے۔ ہم اپنے تمام شیئر ہولڈرز کا ان کی مسلسل حمایت اور تعاون پر شکریہ ادا کرنا چاہتے ہیں۔

آڈیٹرز کی جائزہ رپورٹ کی صورتحال

کمپنی کے آڈیٹرز نے کچھ معاملات کے بارے میں آڈیٹرز کی طرف سے جاری کردہ منفی رائے دی ہے ، جس میں پراپرٹی ، پلانٹ اور سازوسامان کی درجہ بندی ، مارک اپ کی واپسی ، اور آئی اے ایس 8 کے تحت ری ویلیو ایشن سرپلس کی غلط تشریح شامل ہے۔ مزید برآں، 0.150 ملین روپے کی بینک گارنٹی کی تصدیق، ٹیکس اور موخر ٹیکس کی عدم گنتی اور کمپنیز ایکٹ، 2017 کی دفعہ 244 پر عمل نہ کرنے میں خامیوں کی نشاندہی کی گئی ہے۔ انتظامیہ ضروری اصلاحی اقدامات کو نافذ کرے، قابل اطلاق اکاؤنٹنگ معیارات اور ریگولیٹری تقاضوں کی تعمیل کو یقینی بناتے ہوئے ان خدشات کو بروقت حل کرنے کے لئے پرعزم ہے۔ ہم اپنی فنانس ٹیم اور بیرونی مشیروں کے ساتھ فعال طور پر کام کر رہے ہیں تاکہ ان مسائل کو درست کیا جاسکے اور مستقبل میں اس طرح کے واقعات کو روکنے کے لئے ہمارے مالی رپورٹنگ کے عمل کو بہتر بنایا جاسکے۔ بورڈ شفافیت کو برقرار رکھنے اور کارپوریٹ گورننس کے اعلیٰ ترین معیار کو برقرار رکھنے کے لئے وقف 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 انمول خدمات کو بھی شکرگزار تسلیم کیا جاتا ہے۔

بورڈ کے آرڈر کے ذریعے اور اس کی جانب سے

ڈائریکٹر



چیف ایگزیکٹو



لاہور

28 فروری 2025



CHAIRMAN'S REVIEW

On behalf of the Board of Directors, I am presenting to you the Half Yearly Un-Audited Financial Statements of your Company for the period ended December 31, 2024 along with my review on the performance of your Company.

COMPANY'S PERFORMANCE:

The company has successfully executed key strategic initiatives aimed at strengthening our financial position and ensuring long-term sustainability. One of the significant achievements was the successful settlement with our banking partners. This settlement has improved our liquidity position and provided us with greater financial flexibility to focus on core business operations and future growth opportunities.

FUTURE PROSPECTS:

The company continues to pursue its strategic priorities, including market expansion, digital transformation, and operational excellence. Our efforts in innovation and diversification have positioned us well to capitalize on emerging opportunities in the industry.

Moving forward, we remain committed to enhancing shareholder value through sustainable growth, improved financial performance, and disciplined capital allocation. With the strengthened financial foundation following our settlement with the banks, we are optimistic about the future and confident in our ability to deliver strong returns.

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.

Lahore
February 28, 2025

A handwritten signature in dark ink, appearing to read 'Muhammad Omer'.

Muhammad Omer
Chairman



چیئرمین کا جائزہ بورڈ

آف ڈائریکٹرز کی جانب سے، میں آپ کے سامنے 31 دسمبر، 2024 کو ختم ہونے والی مدت کے لئے آپ کی کمپنی کے ششماہی غیر آڈٹ شدہ مالی بیانات پیش کر رہا ہوں اور اس کے ساتھ آپ کی کمپنی کی کارکردگی پر اپنے جائزے بھی پیش کر رہا ہوں۔

کمپنی کی کارکردگی:

کمپنی نے کلیدی اسٹریٹجک اقدامات کو کامیابی کے ساتھ انجام دیا ہے جس کا مقصد ہماری مالی پوزیشن کو مضبوط بنانا اور طویل مدتی استحکام کو یقینی بنانا ہے۔ اہم کامیابیوں میں سے ایک ہمارے بینکنگ شراکت داروں کے ساتھ کامیاب تصفیہ تھا۔ اس تصفیے نے ہماری لیکویڈٹی پوزیشن کو بہتر بنایا ہے اور ہمیں بنیادی کاروباری آپریشنز اور مستقبل کی ترقی کے مواقع پر توجہ مرکوز کرنے کے لئے زیادہ مالی لچک فراہم کی ہے

مستقبل کے امکانات

کمپنی اپنی اسٹریٹجک ترجیحات پر عمل پیرا ہے، جس میں مارکیٹ کی توسیع، ڈیجیٹل تبدیلی، اور آپریشنل عمدگی شامل ہے۔ جدت طرازی اور تنوع میں ہماری کوششوں نے ہمیں صنعت میں ابھرتے ہوئے مواقع سے فائدہ اٹھانے کے لئے اچھی پوزیشن دی ہے۔ آگے بڑھتے ہوئے، ہم پائیدار ترقی، بہتر مالیاتی کارکردگی، اور نظم و ضبط کے ساتھ سرمائے کی تقسیم کے ذریعے حصص کی قدر کو بڑھانے کے لئے پرعزم ہیں۔ بینکوں کے ساتھ ہمارے تصفیے کے بعد مضبوط مالیاتی بنیاد کے ساتھ، ہم مستقبل کے بارے میں پرامید ہیں اور مضبوط منافع فراہم کرنے کی اپنی صلاحیت پر اعتماد ہیں

اعتراف

میں اس موقع پر اپنی اور آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے اپنے ملازمین کی مخلصانہ اور مخلص خدمات کا اعتراف اور شکریہ ادا کرتا ہوں۔ جبکہ، میں اپنے بینکرز، شیئر ہولڈرز اور سرکاری اداروں کا بھی ان کی حمایت اور معمول کے تعاون پر مشکور ہوں۔

لاہور

فروری 28, 2025

محمد عمر

چیئرمین

Independent auditor's review report to the members of Bilal Fibres Limited

Report on the Review of the Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Bilal Fibres Limited** as at December 31, 2024 and the related condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

Scope of Review

We conducted our review in accordance with International Standards 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 procedure. A review is substantially less in scope than 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

The Company has suspended its operations since June 16, 2016 and is in process of sale of Property, plant and equipment and investment property. Further, financial results show adverse key financial ratios, and the decision of the court cases is still uncertain, whether it will be in favor of the company or otherwise.

The conditions mentioned in points 'a' to 'g' along with adverse key financial ratios, the Company's inability to comply with loan agreements and pay debts on due dates and discontinuance of operations indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. At present, there is no formal approved business plan for future periods.

These conditions and events indicate material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the management of the company has prepared these financial statements on going concern basis. Because of the circumstances and events as mentioned herein, in our opinion, the company cannot be considered to be a going concern and thus the preparation of these financial statements on going concern basis is inappropriate. In our opinion the financial statements should reflect adjustments to reduce the value of assets to their recoverable amount and to provide any further liabilities that may arise. These adjustments are likely to be substantial, and in view of further qualifications discussed in paragraphs (a) to (g) we are unable to determine the quantum of the required adjustments and provisions with a reasonable degree of accuracy.

- a) At the reporting date, the Company's accumulated losses stand at Rupees 541.814 million (June 30, 2024: Rs. 538.390 million) and its current liabilities exceed its current assets by Rupees 44.889 million (June 30, 2024: Rs. 927.480 million).

- b) The Company has classified property, plant, and equipment, along with investment property, as held for sale based on the agreement to sell. However, the agreement does not specify separate sale values, making it impossible to determine individual asset values. Additionally, the time period for the sale is not determinable at this stage, making it uncertain for us to estimate whether any adjustments are required in accordance with IFRS 5. Furthermore, the Company recognized a loss on the impairment of assets amounting to Rs. 330.051 million, based on the agreement to sell. Since the agreement does not specify separate sale values, it is not possible to determine the apportionment of the loss between profit or loss and revaluation surplus.
- c) As referred in note 7 and 8, the company has entered into settlement agreement with banking companies through tri party agreement in financial year 2021 and financial year 2024 and payments were made by the company and intended buyer, accrued markup already booked was reversed and the entire impact was accounted for under bank loans, accrued markup and advance against sale of assets in current period aggregating to Rs. 475.162 million in respect of loan and markup and Rs. 233.139 million related to advance against sale of assets. However, this treatment was not in accordance with the requirements of IAS 8. The litigation with the banking companies is pending sine die as per the court decision.
- d) The Company has incorporated the impact of a revaluation surplus in these half-year financial statements based on a revaluation conducted as of June 30, 2024. As the revaluation was not recognized in the appropriate period, it may have resulted in misstatements. However, this treatment was not in accordance with the requirements of IAS 8. Due to this departure, we were unable to determine the overall effect, if any.
- e) Confirmations received from banks identified a discrepancy of Rs. 0.150 million compared to the amounts reported in the financial statements (refer to Note 9.13 as of December 31, 2024). Consequently, we were unable to verify the accuracy of contingencies, trade deposits, and short-term prepayments. Additionally, alternative audit procedures did not provide sufficient appropriate audit evidence to resolve this discrepancy.
- f) The Company has not worked out provision for taxation and any deferred tax. In the absence of the necessary information, we were unable to determine whether any adjustments are required.
- g) The Company is non-compliant with the requirements of section 244 of the Companies Act, 2017.

Adverse Conclusion

Based on our review, because of the significance of the matters discussed in paragraphs (a) to (g), the accompanying interim financial information for the half year ended December 31, 2024 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on review resulting in this independent auditor's review report is **Nouman Arshad, ACA**.

MUSHTAQ & CO.
Chartered Accountants

Lahore.

Dated: 04-Mar-2025

UDIN: RR202410724CotxSIrah

BILAL FIBRES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-Audited)
AS AT DECEMBER 31, 2024



		Un-Audited December 31, 2024	Audited June 30, 2024
	Note	Rupees	
NON-CURRENT ASSETS			
Property, plant and equipment	4	-	319,718,383
Right of use assets	5	-	44,481,444
Investment property		-	572,997,757
Long term deposits		-	1,156,180
		-	938,353,764
CURRENT ASSETS			
Stock in trade		-	57,872,747
Trade deposits and short term prepayments		3,375,765	2,925,765
Other receivables		6,000,000	17,002,975
Sales tax refundable		818,786	818,786
Tax Refunds Due From Government		3,515,444	3,515,444
Cash and bank balances		811,538	440,530
		14,521,533	82,576,247
Non Current Asset held for sale	6	600,000,000	-
		614,521,533	1,020,930,011
SHARE CAPITAL AND RESERVES			
Authorised share capital			
15,000,000 (June 30, 2024: 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, 2024: 14,100,000) Ordinary shares of Rs. 10 each		141,000,000	141,000,000
Accumulated loss		(541,814,470)	(538,389,793)
Surplus on revaluation of property, plant and equipment		399,815,981	400,702,213
		(998,489)	3,312,420
NON CURRENT LIABILITIES			
Long term financing from Banking Companies - Secured	7	322,969,500	-
Long term financing from directors and associates		-	-
Liabilities against assets subject to finance lease		-	-
Deferred liabilities		-	7,561,010
		322,969,500	7,561,010
CURRENT LIABILITIES			
Trade and other payables		2,763,747	45,556,036
Unclaimed dividend		235,776	235,776
Accrued Interest/Mark up payable		-	97,520,035
Loan from directors and associates		-	128,927,488
Short term borrowings		-	136,365,534
Current portion of:			
Long term financing from Banking Companies		56,411,428	493,145,381
Liabilities against assets subject to finance lease		-	108,306,331
		59,410,951	1,010,056,581
Advance against sale of assets	8	233,139,571	-
Contingencies and commitments	9		
		614,521,533	1,020,930,011

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 (Un-Audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024



	Note	Half Year Ended		Quarter Ended	
		Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
		(Rupees)		(Rupees)	
Sales		-	-	-	-
Cost of sales		-	-	-	-
Gross loss		-	-	-	-
Distribution cost		-	-	-	-
Administrative expenses		(9,526,993)	(11,009,913)	(4,931,644)	(5,134,595)
Other operating expenses	10	(391,826,690)	-	(391,826,690)	-
Other operating income	11	397,133,395	1,500,000	397,133,395	-
Finance cost		(358,992)	(841)	(358,992)	-
		(4,579,280)	(9,510,754)	16,069	(5,134,595)
(Loss) / Profit before levies and taxation		(4,579,280)	(9,510,754)	16,069	(5,134,595)
Levies		-	-	-	-
(Loss) / Profit before taxation		(4,579,280)	(9,510,754)	16,069	(5,134,595)
Taxation					
Current		-	-	-	-
Deferred		77,828	-	77,828	-
		77,828	-	77,828	-
(Loss) / Profit for the period		(4,501,452)	(9,510,754)	93,897	(5,134,595)
(Loss) / Earning per share - basic and diluted		(0.32)	(0.67)	0.01	(0.36)

The annexed notes form part of these financial statements.

JR

CHIEF EXECUTIVE

m. ad

CHIEF FINANCIAL OFFICER

pt. o. s.

DIRECTOR


BILAL FIBRES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

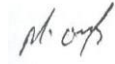


	Share capital	Revenue Reserve	Capital Reserve	Total
		Accumulated loss	Surplus on revaluation of fixed assets	
----- (Rupees) -----				
Balance as on 01 July 2023 - Audited	141,000,000	(521,558,728)	404,051,436	23,492,708
Net loss for the period	-	(9,510,754)	-	(9,510,754)
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	1,649,436	(1,649,436)	-
Other comprehensive income for the period	-	-	-	-
Balance as on December 31, 2023 - Un-Audited	141,000,000	(529,420,046)	402,402,000	13,981,954
Balance as on 01 July 2024 - Audited	141,000,000	(538,389,793)	400,702,213	3,312,420
Net loss for the period	-	(4,501,452)	-	(4,501,452)
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	1,076,775	(1,076,775)	-
Other comprehensive income for the period	-	-	190,543	190,543
Balance as on December 31, 2024 - Un-Audited	141,000,000	(541,814,470)	399,815,981	(998,489)

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 HALF YEAR ENDED DECEMBER 31, 2024

	Half Year Ended		Quarter Ended	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
	(Rupees)		(Rupees)	
(Loss) / Profit for the period	(4,501,452)	(9,510,754)	93,897	(5,134,595)
Other comprehensive income				
Surplus on revaluation	268,371	-	268,371	-
Related deferred tax on surplus	(77,828)	-	(77,828)	-
	190,543	-	190,543	-
Total comprehensive (loss) / income for the period	(4,310,909)	(9,510,754)	284,440	(5,134,595)

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 HALF YEAR ENDED DECEMBER 31, 2024



Note	December 31, 2024	December 31, 2023
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before levies and taxation	(4,579,280)	(9,510,754)
Adjustment for non-cash and other related items:		
Depreciation on operating fixed assets	8,060,549	8,713,134
Depreciation on right of use assets	1,112,861	1,201,369
Fair value gain on Investment property	(602,243)	-
Markup written back	(274,452,252)	-
Liability written back	(42,880,297)	-
Impairment on assets held for sale	330,050,968	-
Finance cost	358,992	841
Allowance for ECL on doubtful debts	3,902,975	-
Cash flow generated from operating activities before working capital changes	20,972,273	404,590
Effect on cash flow due to working capital changes :		
(Increase) / decrease in current assets:		
Stock in Trade	57,872,747	-
Other receivables	7,100,000	(1,500,000)
Increase / (decrease) in current liabilities:		
Trade and other payables	(7,923,002)	-
Net cash generated from / (used in) working capital	57,049,745	(1,500,000)
Cash generated from operating activities	78,022,018	(1,095,410)
Finance cost	(358,992)	(841)
Net cash generated from / (used in) operating activities	77,663,026	(1,096,251)
CASH FLOWS FROM INVESTING ACTIVITIES		
Advance against sale of asset	233,139,571	-
Net cash generated from investing activities	233,139,571	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(181,504,100)	-
Repayment of loan from directors and associates	(59,300,000)	-
Increase/(decrease) in financing from directors and associates	(69,627,489)	1,095,410
Net cash (used in) / generated from financing activities	(310,431,589)	1,095,410
Net increase/(decrease) in cash and cash equivalents	371,008	(841)
Cash and cash equivalents at the beginning of the period	440,530	440,530
Cash and cash equivalents at the end of the period	811,538	439,689

The annexed notes form part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



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 Plant	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 is in process of sale of Property, plant and equipment and investment property and reported accumulated losses of Rupees 541.814 million (June 30, 2024: Rupees 538.390 million). The current liabilities exceeded its current assets by Rupees 44.889 million (June 30, 2024: Rupees 927.480 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.

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, 2024.

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 effective

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, 2024. 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, 2024. 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.

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, 2024.

2.5 Functional currency

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

3 MATERIAL ACCOUNTING POLICY INFORMATION

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, 2024 except as disclosed otherwise.

BILAL FIBRES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024



	Note	Unaudited December 31, 2024	Audited June 30, 2024
Rupees			
4	PROPERTY, PLANT AND EQUIPMENT		
	Operating assets	-	319,718,383
		<u>-</u>	<u>319,718,383</u>
4.1	Operating assets		
	Opening Book Value	319,718,383	336,690,005
	Transfer from Right of use	44,481,444	-
		<u>364,199,827</u>	<u>336,690,005</u>
	Revaluation Surplus	268,371	-
	Depreciation charged during the period	(9,173,410)	(16,971,622)
		<u>355,294,788</u>	<u>319,718,383</u>
	Transfer to Non current Assets held for sale	(355,294,788)	-
		<u>-</u>	<u>319,718,383</u>
5	RIGHT OF USE ASSETS		
	Opening Balance	44,481,444	46,822,573
	Transfer to Operating assets	(44,481,444)	-
		<u>-</u>	<u>46,822,573</u>
	Depreciation charged during the period	-	(2,341,129)
		<u>-</u>	<u>44,481,444</u>
6	NON CURRENT ASSETS HELD FOR SALE		
	Plant and machinery	352,950,000	-
	Factory equipment	13,093	-
	Office & electric equipment	1,895,288	-
	Furniture and fixture	436,407	-
	Investment Property (Land and Building)	573,600,000	-
	Long term deposit-Utilities	1,156,180	-
		<u>930,050,968</u>	<u>-</u>
	Less: Impairment on sale of assets as per agreement to sell	<u>(330,050,968)</u>	<u>-</u>
		<u>600,000,000</u>	<u>-</u>
6.1	This represents a land located at Chak No. 60-61/R.B, 38 KM Sheikhpura road, Tehsil Jarranwala, District Faisalabad 154.3 Kanals (250,349 Square foot) subject to approval of members and regulatory authorities.		
6.2	The Company entered into an Agreement to Sell dated 11th October 2024 for the disposal of its mortgaged factory premises measuring 156 Kanals, 11 Marlas in Faisalabad. The total consideration amounts to Rs. 600 million, with the purchaser, Mr. Azhar Waqar, assuming the responsibility to settle the outstanding bank liabilities of Rs. 384.63 million payable to MCB Bank, Bank of Punjab, and Silk Bank, along with Rs. 2.24 million as legal charges. The purchaser has paid Rs. 40 million in cash and Rs. 20 million through bank. The possession of the property has been transferred, and the sale is subject to full payment and clearance of encumbrances		
7	LONG TERM FINANCING FROM BANKING COMPANIES - SECURED		
	The Bank of Punjab	7.1	202,859,732
	MCB Bank Limited	7.2	125,500,000
	Silk Bank	7.3	51,021,196
	Demand finance - Settled amount	7.2	-
	Demand finance - II	7.3	-
	Demand finance - III	7.3	-
	Demand finance - IV	7.1	-
	Demand finance - VIII	7.3	-
	Forced demand finance	7.3	-
			123,137,000
			3,697,000
			6,977,063
			174,170,823
			19,938,937
			10,936,850
	Frozen mark up		
	Demand finance - IV (unserviceable)	7.1	-
	Demand finance - II	7.3	-
	Demand finance - III	7.3	-
	Demand finance - IV	7.1	-
	Demand finance - VIII	7.3	-
			62,820,000
			252,000
			140,091
			89,609,132
			1,466,485
			<u>379,380,928</u>
			<u>493,145,381</u>
	Less : Current portion of long term loan Due to decree by the banking companies		<u>(56,411,428)</u>
			<u>322,969,500</u>
			<u>-</u>

BILAL FIBRES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024



	Note	Unaudited December 31, 2024	Audited June 30, 2024
7.1 The Bank of Punjab			
Opening Balance		326,599,955	-
Transfer from liabilities against assets subject to finance lease		85,661,821	-
Transfer from short term borrowings		11,930,798	-
Frozen Markup written back		(152,429,132)	-
Less: Payment		(68,903,710)	-
		<u>202,859,732</u>	-
Less: Current Maturity		(28,248,000)	-
Closing Balance		<u>174,611,732</u>	-
7.1.1	The Company had previously restructured its long-term and short-term borrowings from the Bank of Punjab on March 31, 2021. As per the initial restructuring agreement dated March 31, 2021, the Company made certain instalment payments; however, it was unable to meet the remaining obligations. Consequently, the bank obtained a decree against the Company. Subsequently, the loan was settled through a tri party agreement among BOP, the company and Mr. Rana Azhar (buyer) on June 03, 2024 through out of court settlement aggregating principal amount of Rs. 270.632. This settlement was contingent on the payment of defaulted amounts as per the original agreement dated March 31, 2021. On the date of restructuring amount of markup payable was Rs. 353.199 million. As per agreement overdue as of March 2024 amounting Rs 72.908 million was to be paid on or before June 30, 2024 and remaining outstanding amount will be paid in 3 equal quarterly instalments of Rs. 4.839 million and 37 equal quarterly instalments of Rs. 7.062 million starting from March 31, 2021 ending on March 31, 2031.		
	- Entire past markup/cost of funds amounting to Rs. 353.199 million will be waived at the tail end subject to no default in the repayment of outstanding principal as per above mentioned terms.		
	- Entire future markup/cost of funds advised by SBP amounting to Rs. 353.199 million up to March 31, 2024 along with future accrual of 3% will be waived at the tail end subject to no default in the repayment of outstanding principal.		
	- The buyer will not pursue legal action against JPP charge holders restricting the sale of mortgaged assets for liability recovery.		
7.2 MCB Bank Limited			
Opening Balance		123,137,000	-
Transfer from short term borrowing		81,569,818	-
Less: Payment		(79,206,818)	-
		<u>125,500,000</u>	-
Less: Current Maturity		(20,000,000)	-
Closing Balance		<u>105,500,000</u>	-
7.2.1	On February 15, 2024, long term and short term borrowing from MCB Bank Limited (formerly, NIB Bank Ltd.) were restructured through out of court settlement through a tri party agreement among MCB, the company and Mr. Azhar Waqar (surety) aggregating principal amount of Rs. 115.832 million. As of the restructuring date, an amount of Rs. 342.380 million, including the cost of funds up to January 1, 2024, stood outstanding. As per agreement two down payment of Rs. 33 million and Rs. 15 million to be paid on or before February 25, 2024 and remaining outstanding amount will be paid in 26 quarterly instalments starting from March 25, 2024 ending on June 15, 2030. Further, the surety shall provide post-dated cheques of the instalment amounts to bank.		
	- On performance of agreement the bank on request of surety shall provide NOC for the removal of all charges and for the vacation of the JPP charge of Rs. 206.67 million over the charged asset and any exclusive or ranking charges over other charged assets.		
	- In case of default all waivers allowed under this settlement agreement shall stand withdrawn immediately and bank shall entitled to revive the admitted liability amount of Rs. 342.380 million.		
7.2.2	On February 15, 2024, long term and short term borrowing from MCB Bank Limited (formerly, NIB Bank Ltd.) were restructured through out of court settlement through a tri party agreement among MCB, the company and Mr. Azhar Waqar (surety) aggregating principal amount of Rs. 74.168 million. As of the restructuring date, an amount of Rs. 111.198 million, including the cost of funds up to January 1, 2024, stood outstanding. As per agreement two down payment of Rs. 10 million and Rs. 5 million to be paid on or before February 25, 2024 and remaining outstanding amount will be paid in 26 quarterly instalments starting from March 25, 2024 ending on June 15, 2030. Further, the surety shall provide post-dated cheques of the instalment amounts to bank.		
	- On performance of agreement the bank on request of surety shall provide NOC for the removal of all charges and for the vacation of the JPP charge of Rs. 206.67 million over the charged asset and any exclusive or ranking charges over other charged assets.		
	- In case of default all waivers allowed under this settlement agreement shall stand withdrawn immediately and bank shall entitled to revive the admitted liability amount of Rs. 342.380 million.		

BILAL FIBRES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024



	Note	Unaudited December 31, 2024	Audited June 30, 2024
Rupees			
7.3 Silk Bank			
Opening Balance		43,408,426	-
Transfer from short term borrowing		42,864,918	-
Frozen Markup written back		(1,858,576)	-
Less: Payment		(33,393,572)	-
		<u>51,021,196</u>	<u>-</u>
Less: Current Maturity		(8,163,428)	-
Closing Balance		<u>42,857,768</u>	<u>-</u>

7.3.1 The Company had previously restructured its long-term and short-term borrowings from the Silk Bank Limited on February 21, 2022. As of the restructuring date an amount of Rs. 83.644 million was rescheduled, 10% of the principal amount of Rs. 8.364 million was to be paid as down payment and remaining was to be paid in 36 quarterly instalment. Consequently, the execution petitions were adjourned sine die.

On April 16, 2024, it was restructured through out of court settlement through a tri party agreement among Silk bank Limited, the company and Mr. Azhar Waqar (surety) aggregating principal amount of Rs. 77.144 million. As per agreement the down payment of Rs. 20 million to be paid immediately and remaining outstanding amount will be paid in 28 equal quarterly instalments amounting to Rs. 2.040 million starting from March 25, 2024 ending on December 25, 2030. Further, the surety shall provide post-dated cheques of the instalment amounts to bank.

- On performance of agreement the bank on request of surety shall provide NOC for the removal of all charges and for the vacation of the Joint Pari Passu (JPP) charge of Rs. 206.67 million over the charged asset and any exclusive or ranking charges over other charged assets.

- In case of default all waivers allowed under this settlement agreement shall stand withdrawn immediately and bank shall be entitled to revive the admitted liability amount of Rs. 77.144 million along with all costs and cost of funds till realization.

- Bank Guarantee No. LG/0008/SPCBL/2006/1357 dated March 11, 2006 current outstanding amount of Rs. 6 million in the favour of SNGPL shall be settled and in the case of encashment they will jointly undertake to pay the same immediately.

8 ADVANCE AGAINST SALE OF ASSETS

The advance against the sale of assets includes Rs. 40 million received in cash directly by the directors and Rs. 20 million deposited in the bank. The remaining balance of Rs. 173.139 million will be utilized for loan repayment to the bank by the party.

9 CONTINGENCIES AND COMMITMENTS

9.1 As referred in note 7.1.1, The Bank of Punjab has filed execution petition no 82/2016 dated September 19, 2016 with the Honorable Lahore High Court, Lahore for execution of decree dated January 28, 2016. During the financial year 2024, settlement agreement between the company and Bank of Punjab was made on the following terms:

- Total decretal liability of Rs. 623.831 million representing the cost of fund of Rs. 353.199 million and principal amount of Rs. 270.632 million.

- The cost of fund in the favor of Bank of Punjab of Rs. 353.199 million up to March 31, 2024 along with future accrual of 3% will be waived off subject to no default on payment of principal amount.

- The execution proceedings are sine die adjourned on the basis of settlement.

- The Bank has confirmed outstanding markup as at December 31, 2024 amounting to Rs. 423.690 million.

9.2 As referred in note 7.2.1 and 6.2.2, The MCB Bank (formerly NIB Bank) has filed execution petition no 87/2016 with the Honorable Lahore High Court, Lahore for execution of decree. During the financial year 2024, settlement agreement between the company and MCB Bank Limited was made on the following terms:

- Total decretal liability of Rs. 342.380 million and 111.198 million representing the cost of fund of Rs. 226.548 million and 37.030 million and principal amount of Rs. 115.832 million and 74.168 million.

- The cost of fund in the favor of MCB Bank Limited will be waived off subject to no default on payment of principal amount.

- The execution proceedings are sine die adjourned on the basis of settlement.

- The Bank has confirmed outstanding markup as at December 31, 2024 amounting to Rs. 433.933 million.

9.3 As referred in note 7.3.1, The Silk Bank Limited has filed execution petition no 36/E/2021 in Banking Court No. III with the Honorable Lahore High Court, Lahore for execution of decree. During the financial year 2024, Tripartite settlement agreement between the company, Silk Bank Limited and Mr. Azhar Waqar (the Surety) was made on the following terms:

- Total decretal liability of Rs. 77.144 million was to be paid in down payment of Rs. 20 million immediately on the execution of the settlement agreement and remaining will be paid in quarterly instalment.

- The execution proceedings are sine die adjourned on the basis of settlement.

- The Bank has confirmed outstanding markup as at December 31, 2024 amounting to Rs. 7.412 million.

- The company has a bank guarantee amounting to Rs. 6 million, dated March 03, 2006, in favor of SNGPL. The judgment debtors and the surety have confirmed that the outstanding amount under the bank guarantee shall be settled, and in case of encashment by SNGPL, they have undertaken to jointly pay the encashed amount immediately.

BILAL FIBRES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024



- 9.4 The Company has filed a writ petition before the Honorable Lahore High Court, Lahore against the illegal levy of license/permit fee to the tune of Rs. 200,000 by the District Govt. Faisalabad. Legal counsel of the company is of the view that this similar of petitions had already been decided by the Honorable Lahore High Court, Lahore in favour of petitioner. legal council is hopeful that the outcome of the case will be decided in favour of the company.

	Note	Unaudited December 31, 2024	Audited June 30, 2024
Rupees			
9.5	Claims not acknowledged in view of pending appeals before appellate authorities / high court	100,000	100,000
9.6	Indemnity bonds issued against exemption of sales tax and custom duty on import of machinery and local procurement of raw material	17,537,477	17,537,477
9.7	Bank guarantee issued in favor of Sui Northern Gas Pipelines Limited for supply of gas	6,000,000	6,000,000
9.8	Bank guarantee issued in favor of Collector of custom Karachi	3,375,765	2,675,000
9.9	Commitments outstanding	-	-
10	OTHER OPERATING EXPENSES		
	Provision for doubtful receivable	3,902,975	-
	Impairment on sale of assets as per agreement to sell	330,050,968	-
	Stock in trade written off	57,872,747	-
		391,826,690	-
11	OTHER OPERATING INCOME		
	Fair Value Gain	602,243	-
	Loan from directors written back	79,198,603	-
	Markup written back	274,452,252	-
	Liability written back	42,880,297	-
	Rental income	-	1,500,000
		397,133,395	1,500,000

12 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. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

Relationship with the Company	Nature of Transaction	Unaudited December 31, 2024	Unaudited December 31, 2023
Rupees			
Mian Naeem Omer	Loan Receipts	9,571,115	1,095,410
	Loan Payment	(59,300,000)	-
	CEO remuneration written back	(13,018,649)	-
Mian Muhammad Saleem Omer	Loan written back	(43,698,603)	-
	Loan written back	(11,000,000)	-
Mrs. Surrya Begum	Loan written back	(1,500,000)	-
Mrs. Farrah Naeem	Loan written back	(23,000,000)	-

13 GENERAL

13.1 There are no other significant activities since June 30, 2024 affecting the interim financial information.

13.2 Figures have been rounded off to the nearest Rupee.

14 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 **28 February, 2025**.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR