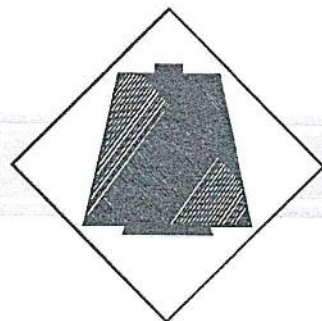


**BILAL**

**FIBRES LIMITED**

(ISO 9001:2000 CERTIFIED)



THIRD QUARTERLY  
REPORT

March 31, 2022  
(UN-AUDITED)



# BILAL FIBRES LIMITED

## COMPANY INFORMATION

Chief Executive	Mr. Naem Omer
Chairman	Mr. Muhammad Omer
Directors	Mr. Naem 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, I-K, Commercial, Model Town, Lahore.
Legal Advisor	Aakif Majeed Butt 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 Accounts for the period ended March 31, 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.23.576 million for the period ended March 31, 2022 as compared to last year comparative period loss of Rs. 25.914 million.

### OPERATING PERFORMANCE

During the period under review, mills operations remained shut down and therefore there was no business conducted.

### FUTURE PROSPECTS

The management of the Company has been closely working with the banking companies to be out from these litigation matters amicably. The management is also exploring different options for potential investments / joint venture to cope with the prevailing crisis. We are very optimistic that our efforts would be successful in near future and the Company would be in position to resume its operations and able to diminish its losses with healthy profits and fulfil all its obligations. 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.

### 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 31 مارچ 2022 کو ختم ہونے والی مدت کے لئے غیر آؤٹ شدہ واکاؤٹس آپ کے سامنے پیش کر رہے ہیں۔  
حسابات آؤٹ سے ایس۔ 34 کی حدود میں چار کیے ہیں اور کمپنی آؤٹس 1984 کی دفعہ 245 کے تحت پیش کیے جا رہے ہیں۔  
گزشتہ نو ماہ کی مالی مدت میں 25.914 ملین روپے نقصان کے مقابلے میں کمپنی 31 مارچ 2022 کو گزشتہ مدت کے لئے 23.576 ملین روپے کا نقصان ہوا ہے۔

آپ کی کمپنی کا کردار  
زیر نگرانت کے دوران ملز آپریشن بند رہے اور اس وجہ سے کوئی کاروبار نہیں ہوا۔

مستقبل کے امکانات  
کمپنی کی انتظامیہ بینکاروں کی کمپنیوں کے ساتھ مل کر کام کر رہی ہے تاکہ ان قانونی چارہ جوئی معاملات سے اس طرح سے بچ سکے کہ اسے  
نئے سرمایہ کاری اور مشترکہ منصوبوں کی تلاش میں ہے۔ ہم بہت پر امید ہیں کہ ہماری کوششیں مستقبل قریب میں کامیاب ہوں گی اور کمپنی اپنی کاروباری  
مرکز میں بحال کرنے کی کوششیں میں ہوگی اور اسی منصوبہ بندی سے اپنے نقصانات کو کم کرنے اور اپنی تمام مزدوروں کو کھانا پکانے میں کامیاب ہوگی۔ آپ کی کمپنی کی انتظامیہ  
تمام اسٹیبلشمنٹ کے تمام شعبوں کے بہترین عملے کے لئے مسلسل کوششیں کر رہی ہے۔ ہم اپنے تمام حصص داران کی مسلسل حمایت اور تعاون پر ان کا شکریہ ادا کرتے ہیں۔

انجی آرٹھکر  
ہم اپنے ساری حصص داران اور ملازمین کی مسلسل حمایت کا شکریہ ادا کرتے ہیں۔ ان مشکل حالات میں اپنے ملازمین کی ہم کی مدد کرنا اور ان کی ضروریات کو سراہنا ہے۔

مختار بٹ

(Signature)

Lahore  
April 27, 2022

(Naem Omer)  
Chief Executive





# BILAL FIBRES LIMITED

## CHAIRMAN'S REVIEW REPORTS

On behalf of the Board of Directors, I am presenting to you the Third Quarterly Un-Audited Financial Statements of your Company for the period ended March 31, 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, 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 31 مارچ، 2022 کو ختم ہونے والی نو ماہی کے فیہر شیج شدہ حسابات کے ساتھ آپ کی کمپنی کی کارکردگی پر اپنا جائزہ پیش کر رہا ہوں۔

کمپنی کی کارکردگی

اقتصادی بینکاری کمپنیوں سے قانونی پارہ جوئی کے معاملات حل کرنے کے لئے کوششیں کر رہی ہے اور ان کے حل کے لئے بہت پرامید ہے۔

مستقبل کے امکانات

کمپنی کا مستقبل بنیادی طور پر پاکستان میں ٹیکسٹائل شعبہ کے مستقبل پر انحصار کرتا ہے۔ دریں اثنا، 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 بینکنگ، ڈیٹر ہولڈرز اور سرکاری اداروں کی مسلسل حمایت کا شکریہ ادا کرتا ہوں۔

محمد علی

(محمد علی)

چیرمین

Lahore  
April 27, 2022



# BILAL FIBRES LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

	Un-Audited March 31, 2022	Audited June 30, 2021
Note	Rupees	
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment:		
Operating fixed assets	409,216,291	425,291,697
Investment Property	556,308,500	556,308,500
Long term deposits	1,156,180	1,156,180
	<b>966,680,971</b>	<b>982,756,377</b>
<b>CURRENT ASSETS</b>		
Stock in trade	57,872,747	57,872,747
Loan and advances	66,000	-
Deposits and short Term Prepayments	2,925,765	2,925,765
Other receivables	16,595,975	15,295,975
Sales tax refundable	3,540,913	3,540,913
Advance tax	3,515,444	3,515,444
Cash and bank balance	149,308	622,540
	<b>84,666,152</b>	<b>83,773,384</b>
	<b>1,051,347,123</b>	<b>1,066,529,761</b>
<b>SHARE CAPITAL AND REVERSES</b>		
Authorised shares capital		
15,000,000 (June 30, 2021: 15,000,000) Ordinary shares of Rs. 10 each	<b>150,000,000</b>	<b>150,000,000</b>
Issued, subscribed and paid up shares capital		
14,100,000 (June 30, 2021: 14,100,000) Ordinary shares of Rs. 10 each	<b>141,000,000</b>	<b>141,000,000</b>
Accumulated loss	(470,341,011)	(449,607,092)
Surplus on revaluation - Property, plant & equipment	<b>408,281,892</b>	<b>411,124,240</b>
	<b>78,940,881</b>	<b>102,517,148</b>
<b>NON CURRENT LIABILITIES</b>		
Long term financing from Banking Companies - Secured	-	-
Long term financing from directors and associates	100,367,302	95,917,168
Lease Liabilities Payable	-	-
Deferred liabilities	7,420,010	7,420,010
	<b>107,787,312</b>	<b>103,337,178</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	41,501,534	34,483,679
Unclaimed dividend	235,776	235,776
Accrued Interest/Mark up payable	97,520,034	97,520,035
Short term borrowings	136,365,534	143,465,534
Current portion of:		
Long term financing from Banking Companies	480,689,721	476,664,080
Liabilities against assets subject to finance lease	108,306,331	108,306,331
	<b>864,618,930</b>	<b>860,675,435</b>
Contingencies and commitments	-	-
	<b>1,051,347,123</b>	<b>1,066,529,761</b>

The annexed notes form part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



# BILAL FIBRES LIMITED

CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2022

Note	Nine Month Period Ended		Quarter Ended	
	Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
	(Rupees)		(Rupees)	
Sales	-	-	-	-
Cost of sales	-	-	-	-
Gross loss	-	-	-	-
Distribution cost	-	-	-	-
Administrative expenses	(18,900,405)	(29,109,327)	(6,245,468)	(8,841,443)
Other operating income	4,500,000	4,500,000	1,500,000	1,500,000
Finance cost	(9,175,862)	(1,304,285)	(29)	(178,383)
	(23,576,267)	(25,913,612)	(4,745,497)	(7,519,826)
Loss before taxation	(23,576,267)	(25,913,612)	(4,745,497)	(7,519,826)
Provision for taxation	-	-	-	-
Loss for the period	(23,576,267)	(25,913,612)	(4,745,497)	(7,519,826)
Loss per share - basic and diluted	(1.67)	(1.84)	(0.34)	(0.53)

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 MARCH 31, 2022

	Nine Month Period Ended		Quarter Ended	
	Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
	(Rupees)		(Rupees)	
Loss after taxation	(23,576,267)	(25,913,612)	(4,745,497)	(7,519,826)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	(23,576,267)	(25,913,612)	(4,745,497)	(7,519,826)

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD ENDED MARCH 31, 2022

	Share capital	Accumulated loss	Surplus on revaluation of fixed assets	Total
	(Rupees)			
Balance as on 01 July 2020	141,000,000	(448,100,801)	414,914,038	107,813,237
Loss for the period	-	(25,913,612)	-	(25,913,612)
Other comprehensive income for the period	-	-	-	-
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	2,991,945	(2,991,945)	-
Balance as on March 31, 2021	141,000,000	(471,022,468)	411,922,093	81,899,625
Balance as on July 01, 2021	141,000,000	(449,607,092)	411,124,240	102,517,148
Loss for the period	-	(23,576,267)	-	(23,576,267)
Other comprehensive income for the period	-	-	-	-
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	2,842,348	(2,842,348)	-
Balance as on March 31, 2022	141,000,000	(470,341,011)	408,281,892	78,940,881

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 MARCH 31, 2022

	March 31, 2022	March 31, 2021
	(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(23,576,267)	(25,913,612)
Adjustment for non-cash and other related items:		
Depreciation on operating fixed assets	14,129,868	14,888,395
Depreciation on assets subject to finance lease	1,945,537	2,047,932
Notional income /expense on interest free loans	9,175,775	1,292,627
Finance cost	87	11,658
Cash flow generated from operating activities before working capital changes	1,675,000	(7,673,000)
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets:		
Loan and advances	(66,000)	8,900,000
Other receivables	(1,300,000)	-
Increase in trade and other payables	7,017,855	(1,611,649)
Net cash used in working capital	5,651,855	7,288,351
Cash generated from / (used in) operations	7,326,855	(384,649)
Finance cost	(87)	(11,658)
Net cash used in operating activities	7,326,768	(396,307)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase/(decrease) in short term borrowings - net	(7,100,000)	-
Increase/(decrease) in financing from directors and associates	(700,000)	220,000
Net cash generated from / (used in) financing activities	(7,800,000)	220,000
Net (decrease)/increase in cash and cash equivalents	(473,232)	(176,307)
Cash and cash equivalents at the beginning of the period	622,540	590,854
Cash and cash equivalents at the end of the period	149,308	414,547

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 MARCH 31, 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 Plant	38.KM, Sheikhupura 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 470.34 million (June 30, 2021: Rupees 449.61 million). The current liabilities exceeded its current assets by Rupees 779.95 million (June 30, 2021: Rupees 776.90 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, 2021.

### 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, 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, 2021. 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 MARCH 31, 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, 2021.

## 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, 2021 except as disclosed otherwise.

	Notes	Unaudited March 31, 2022	Audited June 30, 2021
		Rupees	
4 Property, Plant and Equipment			
Operating assets	4.1	359,280,862	373,410,730
Right-of-use assets	4.2	49,935,429	51,880,966
		<u>409,216,291</u>	<u>425,291,696</u>
4.1 Operating assets			
Opening Book Value		373,410,730	383,261,924
Depreciation charged during the period / year		(14,129,868)	(19,851,194)
		<u>359,280,862</u>	<u>373,410,730</u>
4.2 Right-of-use assets			
Opening Balance		51,880,966	54,611,543
Depreciation charged during the period		(1,945,537)	(2,730,577)
		<u>49,935,429</u>	<u>51,880,966</u>

## 5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies and commitments are same as at June 30, 2021.

## 6 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 consolidated financial statements are as follows:

Relationship with the Company	Nature of Transaction	Nine Month Period Ended	
		Mar 31, 2022	Mar 31, 2021
Director	Repayment of loan	700,000	-

## 7 GENERAL

7.1 There are no other significant activities since June 30, 2021 affecting the interim financial information.

7.2 Figures have been rounded off to the nearest Rupee.

## 8 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 April 27, 2022.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

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109-A, Street No. 3,  
Cavalry Ground,  
Lahore Cantt.

PH: +92 42 3667 2423 - 25