

# Third Quarterly Report

for the period ended September 30, 2024



Ibrahim Fibres Limited





# CONTENTS

02

Company Information

04

Directors' Review

06

Condensed Interim  
Statement of Financial  
Position

07

Condensed Interim  
Statement of Profit or  
Loss

08

Condensed Interim  
Statement of  
Comprehensive Income

09

Condensed Interim  
Statement of Cash Flows

10

Condensed Interim  
Statement of Changes in  
Equity

11

Selected Explanatory Notes  
to the Condensed Interim  
Financial Statements

19

Directors' Review - Urdu

# COMPANY INFORMATION

## BOARD OF DIRECTORS

Sheikh Mukhtar Ahmad  
*Chairman*

Mohammad Naeem Mukhtar  
*Chief Executive Officer*

Muhammad Waseem Mukhtar

Sarah Naeem

Abdul Hameed Bhutta

Saba Muhammd

Iftikhar Yasin

## CHIEF FINANCIAL OFFICER

Mohammad Naeem Asghar

## COMPANY SECRETARY

Farhan Siddique

## AUDITORS

Yousuf Adil  
Chartered Accountants

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Saba Muhammd  
*Chairperson*

Abdul Hameed Bhutta  
*Member / Secretary*

Iftikhar Yasin  
*Member*

## AUDIT COMMITTEE

Iftikhar Yasin  
*Chairman*

Abdul Hameed Bhutta  
*Member*

Saba Muhammd  
*Member*

Muhammad Iqbal Chaudhry  
*Secretary*

## NOMINATION COMMITTEE

Sheikh Mukhtar Ahmad  
*Chairman*

Mohammad Naeem Mukhtar  
*Member*

Muhammad Waseem Mukhtar  
*Member*



## RISK MANAGEMENT COMMITTEE

Iftikhar Yasin  
*Chairman*

Sarah Naeem  
*Member*

Mohammad Naeem Asghar  
*Member*

## BANKERS

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
BankIslami Pakistan Limited  
Citibank, N.A.  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
Industrial and Commercial Bank of China Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
The Bank of Punjab  
United Bank Limited

## REGISTRAR'S & SHARES REGISTRATION OFFICE

CDC Share Registrar Services Limited  
CDC House, 99 - B, Block - B, S.M.C.H.S.  
Main Shakra-e-Faisal, Karachi - 74400, Pakistan

## REGISTERED OFFICE

Ibrahim Centre  
1 - Ahmed Block  
New Garden Town  
Lahore - 54600, Pakistan

## HEAD OFFICE

Ibrahim Centre  
15 - Club Road  
Faisalabad - 38000, Pakistan

## PROJECTS LOCATION

38 - 40 Kilometers  
Faisalabad - Shekhupura Road  
Faisalabad, Pakistan





# DIRECTORS' REVIEW

The Directors of your Company are pleased to present before you the unaudited financial results of the Company for the third quarter of current financial year and nine months ended September 30, 2024.

## OPERATING PERFORMANCE

During the period of nine months under review, the polyester plant of your Company produced 189,703 tons of Polyester Staple Fibre (PSF) as compared to production of 204,760 tons of PSF during the corresponding period of previous year. Out of this production, 26,723 tons of PSF were consumed by the textile plants of your Company for production of blended yarns as against 24,861 tons consumed during the corresponding period of previous year.

The textile plants of your Company produced 44,043 tons of blended yarns of different counts during the period of nine months under review as against production of 40,171 tons during the corresponding period of previous year.

## FINANCIAL PERFORMANCE

The net sales during the period of nine months under review amounted to Rs. 91,043 million as compared to Rs. 90,863 million during corresponding period of previous year.

Your Company earned gross profit of Rs. 7,025 million for the period of nine months under review as compared to Rs. 8,658 million during corresponding period of previous year.

During the period of nine months under review, your Company earned profit before tax of Rs. 3,001 million as compared to Rs. 5,053 million during corresponding period of previous year. Profit after tax amounted to Rs. 1,727 million for the period of nine months under review as compared to Rs. 1,820 million for the corresponding period of previous year.

## INDUSTRY OVERVIEW & FUTURE OUTLOOK

Domestic economy has made decent progress towards macroeconomic stabilization on all major fronts resulting in gradual economic recovery especially in large scale manufacturing. However, in order to achieve sustainable growth, substantial reforms are required which are still unaddressed. Dumping of PSF into the domestic economy is continued and has shattered all previous records due to extraordinary incentives offered by Government of Pakistan to encourage imports at the cost of local industry and first in the line is Export Facilitation Scheme (EFS). EFS has now started affecting many sectors of the local industry including PSF and yarns. On the international front, shock waves of Chinese economic slowdown have started to emerge leading to destabilization of crude oil market.

Accordingly, crude oil market is expected to remain turbulent in the near future resulting in varying margins across petrochemical chain including your Company. Moreover, unchecked PSF and yarns imports are expected to keep hurting domestic manufacturing operations in future as well.


In this evolving scenario, the management of your Company is making untiring efforts to enhance sales volume through effective marketing strategies and to achieve better results with prudent financial controls.

## EARNINGS PER SHARE

Profit per share for the period of nine months under review comes to Rs. 5.56 as compared to Rs. 5.86 for the corresponding period of previous year.

Lahore  
October 25, 2024

  
Chief Executive Officer

On behalf of the Board  
  
Director

IBRAHIM FIBRES LIMITED  
CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2024





# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2024

	Note	Unaudited September 30, 2024 Rupees	Audited December 31, 2023 Rupees
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	3	37,590,820,775	39,404,007,785
Intangible assets		139,640,203	148,717,585
Long term loans		106,741,289	119,195,501
Long term deposits		12,871,485	11,803,511
		37,850,073,752	39,683,724,382
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		9,555,558,474	8,678,620,909
Stock in trade		22,008,019,264	24,813,367,015
Trade debts		3,224,231,822	2,795,438,901
Loans and advances		2,860,204,928	3,709,155,720
Prepayments		198,339,675	97,673,978
Other receivables		170,414,698	212,779,749
Refunds due from Government		8,558,456,395	8,856,572,669
Cash and bank balances		159,011,288	150,231,832
		46,734,236,544	49,313,840,773
<b>CURRENT LIABILITIES</b>			
Trade and other payables		4,167,264,459	5,343,354,124
Mark up / interest payable		361,231,450	916,077,790
Short term bank borrowings		6,473,607,689	10,071,447,718
Current portion of non - current liabilities		885,877,279	523,832,516
Unclaimed dividend		27,164,884	28,883,316
Provision for taxation - income tax		4,489,563,124	4,828,261,461
		16,404,708,885	21,711,856,925
Working capital		30,329,527,659	27,601,983,848
Total capital employed		68,179,601,411	67,285,708,230
<b>NON - CURRENT LIABILITIES</b>			
Long term financing		3,662,047,970	4,263,433,116
Deferred liabilities	4	8,140,808,321	8,372,478,515
		11,802,856,291	12,635,911,631
<b>CONTINGENCIES AND COMMITMENTS</b>			
Net worth	5	56,376,745,120	54,649,796,599
<b>Represented by:</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		3,105,069,950	3,105,069,950
Capital reserves		1,072,017,550	1,072,017,550
Revenue reserves		52,199,657,620	50,472,709,099
		56,376,745,120	54,649,796,599

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	Quarter ended September 30,		Nine months ended September 30,	
		2024	2023	2024	2023
		Rupees	Rupees	Rupees	Rupees
Sales - net		27,047,391,215	30,750,553,727	91,042,736,890	90,862,911,925
Cost of goods sold	6	(24,805,063,217)	(28,788,234,927)	(84,018,191,475)	(82,204,932,997)
Gross profit		2,242,327,998	1,962,318,800	7,024,545,415	8,657,978,928
Selling and distribution expenses		(176,661,639)	(180,486,267)	(574,128,136)	(533,006,970)
Administrative expenses		(639,294,733)	(563,316,060)	(1,855,938,751)	(1,662,246,208)
Other operating expenses		(76,632,677)	(49,952,732)	(275,105,372)	(391,567,447)
Finance cost		(370,631,300)	(497,041,986)	(1,344,630,616)	(1,067,252,697)
		(1,263,220,349)	(1,290,797,045)	(4,049,802,875)	(3,654,073,322)
Other income		979,107,649	671,521,755	2,974,742,540	5,003,905,606
		9,131,204	13,363,428	26,372,531	49,272,636
Profit before taxation		988,238,853	684,885,183	3,001,115,071	5,053,178,242
Provision for taxation		(405,575,969)	(626,409,610)	(1,274,166,550)	(3,233,457,786)
Profit for the period		582,662,884	58,475,573	1,726,948,521	1,819,720,456
Earnings per share - Basic and Diluted		1.88	0.19	5.56	5.86

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

  
 Chief Executive Officer

  
 Director

  
 Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Quarter ended September 30, 2024 Rupees	2023 Rupees	Nine months ended September 30, 2024 Rupees	2023 Rupees
Profit for the period	582,662,884	58,475,573	1,726,948,521	1,819,720,456
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	582,662,884	58,475,573	1,726,948,521	1,819,720,456

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	Nine months ended September 30,	
		2024	2023
		Rupees	Rupees
<b>a) Cash flows from operating activities</b>			
Operating cash flows before working capital changes	7	7,525,211,660	9,203,293,844
Changes in working capital			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(876,937,565)	(1,929,738,992)
Stock in trade		2,805,347,751	(5,397,866,951)
Trade debts		(428,836,649)	474,535,235
Loans and advances		(70,684,134)	(120,933,464)
Prepayments		(100,665,697)	(65,688,655)
Other receivables		42,370,391	(78,290,592)
Refunds due from Government		475,960,164	(2,449,730,244)
(Decrease) / increase in current liabilities			
Trade and other payables		(1,128,897,099)	2,812,507,071
		717,657,162	(6,755,206,592)
Cash generated from operations		8,242,868,822	2,448,087,252
Long term loans - net		12,868,432	6,365,351
Finance cost paid		(1,899,189,695)	(789,180,860)
Income tax paid - net		(1,156,856,937)	(1,654,983,094)
Staff retirement gratuity paid		(161,214,636)	(164,151,149)
Net cash from / (used in) operating activities		5,038,475,986	(153,862,500)
<b>b) Cash flows from investing activities</b>			
Additions in:			
Property, plant and equipment		(1,153,421,401)	(4,073,491,142)
Intangible assets		(23,928,258)	(21,833,381)
Proceeds from disposal of property, plant and equipment		60,230,335	23,086,178
Long term deposits		(1,067,974)	(2,223,230)
Profit on investment at amortised cost		-	1,290,000
Profit on deposits		3,644,677	4,662,085
Redemption of short term investment		-	12,000,000
Net cash used in investing activities		(1,114,542,621)	(4,056,509,490)
<b>c) Cash flows from financing activities</b>			
Long term financing obtained		-	1,844,758,600
Repayment of long term financing		(315,595,448)	(220,084,669)
Dividend paid		(1,718,432)	(58,439)
Net cash (used in) / from financing activities		(317,313,880)	1,624,615,492
<b>Net increase / (decrease) in cash and cash equivalents (a+b+c)</b>		3,606,619,485	(2,585,756,498)
<b>Cash and cash equivalents at the beginning of the period</b>		(9,921,215,886)	(9,784,057,153)
<b>Cash and cash equivalents at the end of the period</b>	8	(6,314,596,401)	(12,369,813,651)

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

Chief Executive Officer

Director

Chief Financial Officer



# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Share Capital	Capital Reserves		Revenue Reserves		Total
		Share premium	Merger reserve	General reserve	Unappropriated profit	
Rupees						
Balance as at January 01, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	46,183,672,956	54,450,433,555
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,819,720,456	1,819,720,456
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,819,720,456	1,819,720,456
Balance as at September 30, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	48,003,393,412	56,270,154,011
Total comprehensive income for the period						
Loss for the period	-	-	-	-	(1,516,217,110)	(1,516,217,110)
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of staff retirement gratuity	-	-	-	-	(206,087,020)	(206,087,020)
Deferred tax	-	-	-	-	101,946,718	101,946,718
	-	-	-	-	(104,140,302)	(104,140,302)
	-	-	-	-	(1,620,357,412)	(1,620,357,412)
Balance as at December 31, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	46,383,036,000	54,649,796,599
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,726,948,521	1,726,948,521
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,726,948,521	1,726,948,521
Balance as at September 30, 2024	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	48,109,984,521	56,376,745,120

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

## 1. STATUS AND ACTIVITIES

- 1.1 Ibrahim Fibres Limited (the Company) was incorporated in Pakistan as a public limited company and is listed on Pakistan Stock Exchange. The principal business of the Company is manufacture and sale of polyester staple fibre and yarn. The registered office of the Company is located at 1 - Ahmad Block, New Garden Town, Lahore. The manufacturing units are located at Faisalabad - Sheikhpura Road, in the Province of Punjab.
- 1.2 Pursuant to scheme of arrangement approved by the Honourable Lahore High Court, Lahore, assets, liabilities and reserves of Ibrahim Textile Mills Limited, A. A. Textiles Limited, Zainab Textile Mills Limited and Ibrahim Energy Limited were merged with the assets, liabilities and reserves of the Company with effect from October 01, 2000.
- 1.3 Ibrahim Holdings (Private) Limited is the parent company and its registered office is in Pakistan.
- 1.4 These condensed interim financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

### 2.2 Application of new and revised International Financial Reporting Standards

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

There were certain new standards, amendments to the approved accounting standards and interpretations which became effective during the period and are mandatory for accounting periods of the Company beginning on or after January 01, 2024 but are considered not to be relevant or not to have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

#### 2.2.2 Standards, amendments to standards and interpretations becoming effective in future periods

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

### 2.3 Basis of preparation

These condensed interim financial statements have been prepared under the "historical cost convention" except staff retirement gratuity carried at present value and short term investment carried at amortised cost. These condensed interim financial statements do not include all the information required for complete set of financial statements and should be read in conjunction with the Company's published audited financial statements for the year ended December 31, 2023.

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

## 2.4 Accounting policies and methods of computation

The accounting policies and methods of computation followed in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended December 31, 2023. During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied in the preceding published audited financial statements for the year ended December 31, 2023.

## 2.5 Financial risk management

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in financial statements of the Company for the year ended December 31, 2023.

	Unaudited September 30, 2024 Rupees	Audited December 31, 2023 Rupees
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets	36,920,437,018	39,025,435,323
Capital work in progress	670,383,757	378,572,462
	<b>37,590,820,775</b>	<b>39,404,007,785</b>

	Nine months ended September 30, 2024		Nine months ended September 30, 2023	
	Acquisitions / Transfers Rupees	Disposals / Transfers Rupees	Acquisitions / Transfers Rupees	Disposals / Transfers Rupees
<b>3.1 Acquisitions and disposals including transfers - at cost</b>				
<b>Operating assets</b>				
Freehold land	45,887,440	–	21,064,600	–
Leasehold land	–	–	520,001,000	–
Building on freehold land	102,895,723	–	237,787,270	–
Plant and machinery	143,345,953	514,360,628	2,823,183,334	7,680,026
Furniture and fixture	69,111,113	3,143,677	76,711,051	380,571
Office equipment	355,551,052	15,033,203	188,050,129	14,442,799
Vehicles	101,590,854	41,567,759	99,398,577	38,218,587
<b>Capital work in progress</b>				
Building on freehold land	124,767,982	102,895,723	228,106,890	237,787,270
Plant and machinery	107,654,769	114,865,802	2,616,103,284	2,712,352,028
Others	319,735,584	42,585,515	654,427,925	412,738,920
	<b>1,370,540,470</b>	<b>834,452,307</b>	<b>7,464,834,060</b>	<b>3,423,600,201</b>



# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Unaudited September 30, 2024 Rupees	Audited December 31, 2023 Rupees
<b>4. DEFERRED LIABILITIES</b>		
Deferred taxation	6,060,069,373	6,316,983,112
Staff retirement gratuity	1,716,060,467	1,614,561,857
Deferred government grant	364,678,481	440,933,546
	8,140,808,321	8,372,478,515

## 5. CONTINGENCIES AND COMMITMENTS

### 5.1 Contingencies

There is no change in contingent liabilities since the date of published audited financial statements for the year ended December 31, 2023 except the following:

- (i) Bank guarantees issued in favour of Sui Northern Gas Pipelines Limited against supply of gas as mentioned in Note 20.1.1 (i) to the above referred financial statements have been increased to Rs. 944.394 million.
- (ii) Bank guarantees issued in favour of The Director, Excise and Taxation, Karachi against imposition of infrastructure cess as mentioned in Note 20.1.1 (ii) to the above referred financial statements have been increased to Rs. 2,950.000 million.
- (iii) The Additional Commissioner Inland Revenue (ACIR) passed an order under section 122 and thereby creating demand for the tax year 2011 as mentioned in note 20.1.9 to the above referred financial statements. The Company contended the case before Commissioner Inland Revenue (Appeals) (CIR-A) who decided the case in favour of the Company. The department approached the Appellate Tribunal Inland Revenue (ATIR) on September 06, 2017 against the order of CIR-A. During the period, ATIR passed an order dated January 31, 2024 and decided the case in favour of the Company.
- (iv) The Deputy Commissioner Inland Revenue (DCIR) passed an order and disallowed input tax based on various reasons as mentioned in note 20.1.11 to the above referred financial statements. The Company filed an appeal dated March 26, 2018 before CIR-A. CIR-A passed order dated February 08, 2022 and remanded back the matter to assessing officer. The statutory proceeding were initiated by DCIR who issued order dated June 21, 2023 and decided the case partially against the Company by creating demand of Rs. 248.536 million. The Company filed appeal before CIR-A dated July 31, 2023. During the period, CIR-A passed an order dated February 28, 2024 and decided the case partially in favour of the Company. DCIR filed appeal before ATIR on dated May 20, 2024.
- (v) Finance Act, 2015 introduced income tax at the rate of 10% on undistributed reserves where such reserves of the company are in excess of its paid up capital and the company derives profits for a tax year but does not distribute requisite cash dividend within six months of the end of the said tax year as mentioned in note 20.1.12 to the above referred financial statements. The Company approached the Honourable Lahore High Court (LHC) dated December 31, 2015 challenging the levy of said tax through filing a writ petition and the Court has granted stay against recovery of tax in any manner. During the period, LHC passed an order dated March 27, 2024 and decided the case in favour of the Company.
- (vi) Assistant Commissioner Inland Revenue passed an order disallowing some of the administrative expenses and tax deductions for the tax year 2009 as mentioned in note 20.1.13 to the above referred financial statements. The Company filed an appeal with CIR-A who remanded back to Officer Inland Revenue to consider the provided supporting documents. The Company has filed appeal before ATIR on April 29, 2019 against order of CIR-A. During the period, ATIR passed an order dated May 23, 2024 partially in favour of the Company and upheld the remand back decision of CIR-A.

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

- (vii) ACIR passed an order disallowing some of the administrative expenses and charging tax on undistributed profits for the tax year 2017 as mentioned in note 20.1.15 to the above referred financial statements. The Company filed an appeal with CIR-A who made partial decision in favour of the Company. The Company and Commissioner Inland Revenue (CIR) filed appeals against order of CIR-A with ATIR on May 14, 2019 and May 16, 2019 respectively. During the period, ATIR decided the appeal filed by CIR dated July 09, 2024 and made decision in favour of the Company. The appeal of the Company is still pending.
- (viii) DCIR passed an order disallowing input sales tax dated November 19, 2020 in post refund audit from July 2016 to June 2017 as mentioned in note 20.1.19 to the above referred financial statements. The Company filed an appeal dated December 31, 2020 before CIR-A. CIR-A passed an order dated March 30, 2022 and remanded back the matter to assessing officer. The statutory proceedings were initiated by DCIR who issued order dated June 23, 2023 and decided the case partially against the Company by creating demand of Rs. 109.423 million. The Company filed appeal before CIR-A dated August 01, 2023. During the period, CIR-A passed an order dated February 28, 2024 and decided the case partially in favour of the Company. DCIR filed appeal before ATIR on May 20, 2024.
- (ix) DCIR passed an order disallowing input sales tax under section 8 of the Sales Tax Act, 1990 dated May 28, 2021 for the period July 2019 to June 2020 as mentioned in note 20.1.20 to the above referred financial statements. The Company filed an appeal against the order before CIR-A dated July 28, 2021. CIR-A passed an order dated February 14, 2022 and decided the case against the Company. The Company filed an appeal dated March 30, 2022 before ATIR against the order of CIR-A. ATIR passed an order dated May 31, 2022 and remanded back the matter to assessing officer. During the period, DCIR passed an order dated March 05, 2024 and decided the case in favour of the Company.
- (x) DCIR passed an order dated August 31, 2023 for tax year 2017 as mentioned in note 20.1.25 to the above referred financial statements and created demand along with default surcharge on account of failure to deduct tax on certain payments. The Company filed appeal before CIR-A dated September 28, 2023. During the period, CIR-A passed an order dated February 29, 2024 and decided the case in favour of the Company. DCIR filed appeal on April 26, 2024 before ATIR against the order of CIR-A.
- (xi) During the period, ACIR passed an order dated March 14, 2024 and created demand of Rs. 132.036 million for disallowing some of the expenses and advance tax claimed for the tax year 2021. The tax liability has been paid / adjusted against prior year refunds. Appeal is also filed on April 16, 2024 before CIR-A against one point.

		Unaudited September 30, 2024 Rupees in million	Audited December 31, 2023 Rupees in million
5.2	<b>Commitments</b>		
5.2.1	<b>Under contracts for capital expenditure:</b>		
	Land and building	794.678	325.867
	Plant and machinery	46.024	0.105
5.2.2	<b>Under letters of credit for:</b>		
	Plant and machinery	3,670.606	84.854
	Raw materials, stores and spare parts	3,003.566	3,851.500





# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

## 9. AGGREGATE TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertakings and key management personnel. Significant transactions with related parties are as under:

Relationship and nature of transaction	Unaudited	Audited
	September 30, 2024	December 31, 2023
	Rupees	Rupees
Associated undertakings		
Short term bank borrowings payable	13,989,415	–
Mark up / interest payable on short term bank borrowings	2,603,564	8,659,572
Unretired letters of credit	187,175,507	1,430,608,015
Bills payable	318,035,484	–
Bank balance	11,794,362	29,086,464
Relationship and nature of transaction	Nine months ended September 30, 2024	2023
	Rupees	Rupees
Associated undertakings		
Rent charged	8,836,242	8,728,401
Mark up / interest charged on short term bank borrowings	209,790,820	24,924,803
Profit on deposits	129,504	509,941
Bank charges and commission	2,643,487	7,341,575
Rental income	9,000	9,000
Sales	31,138,137	280,207,755
Purchases	24,335,343,816	–
Key management personnel		
Remuneration	99,900,000	76,400,000
Reimbursable expenses	6,614,816	6,255,144
<b>Reconciliation of bank accounts (current and deposit) including running finance maintained with associated company:</b>		
Opening balance	29,086,464	(983,662,531)
Transfers in during the period	65,849,510,713	63,117,100,883
Transfers out during the period	(65,880,792,230)	(63,044,996,827)
Closing balance	(2,195,053)	(911,558,475)

Following are the related parties with whom the Company has entered into transactions or have arrangements / agreements in place.

Name	Country of Incorporation	Basis of relationship	Note	Aggregate % of shareholding
Ibrahim Holdings (Private) Limited	Pakistan	Parent company	9.1	91.7700%
Allied Bank Limited	Pakistan	Common directorship		–
Ibrahim Agencies (Private) Limited	Pakistan	Common directorship		–
Wickford International Pte. Ltd.	Singapore	Common directorship		–
Sheikh Mukhtar Ahmad		Key management personnel		0.0008%
Mohammad Naeem Mukhtar		Key management personnel		0.0008%
Muhammad Waseem Mukhtar		Key management personnel		0.0008%
Sarah Naeem		Key management personnel		0.0002%
Abdul Hameed Bhutta		Key management personnel		0.0003%

9.1 Ibrahim Holdings (Private) Limited acquired 480,803 shares of the Company during the period.

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

## 10. SEGMENT INFORMATION

	Polyester		Textile spinning		Inter - segment elimination		Total	
	Nine months ended September 30,		Nine months ended September 30,		Nine months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees							
Sales - net	57,165,879,219	62,341,924,858	33,876,857,671	28,520,987,067	-	-	91,042,736,890	90,862,911,925
Revenue from contracts with customers - net	9,253,378,440	7,651,487,499	-	-	(9,253,378,440)	(7,651,487,499)	-	-
Inter - segment								
Cost of goods sold	66,419,257,659	69,993,412,357	33,876,857,671	28,520,987,067	(9,253,378,440)	(7,651,487,499)	91,042,736,890	90,862,911,925
	(61,436,715,154)	(62,272,320,281)	(31,894,854,761)	(27,584,100,215)	9,253,378,440	7,651,487,499	(84,018,191,475)	(82,204,932,997)
Gross profit	4,982,542,505	7,721,092,076	2,042,002,910	936,886,852	-	-	7,024,545,415	8,657,978,928
Selling and distribution expenses	(340,622,008)	(311,966,725)	(126,833,985)	(137,131,489)	-	-	(467,455,993)	(449,098,214)
Other operating expenses	(28,498,855)	(12,458,147)	(517,967)	-	-	-	(29,016,822)	(12,458,147)
Finance cost	(8,292,637)	(9,561,538)	(342,274,712)	(26,162,113)	-	-	(350,567,249)	(35,723,651)
	(377,413,400)	(333,986,410)	(469,626,664)	(163,293,602)	-	-	(847,040,064)	(497,280,012)
Other income	4,605,129,105	7,387,105,666	1,572,376,246	773,593,250	-	-	6,177,505,351	8,160,698,916
	19,107,653	27,006,460	3,614,861	16,406,343	-	-	22,722,514	43,412,803
Profit before unallocated income and expenses	4,624,236,758	7,414,112,126	1,575,991,107	789,999,593	-	-	6,200,227,865	8,204,111,719
Unallocated income and expenses:								
Selling and distribution expenses							(106,672,143)	(83,908,756)
Administrative expenses							(1,855,938,751)	(1,662,246,208)
Other operating expenses							(379,109,300)	(379,109,300)
Finance cost							(994,063,367)	(1,081,529,046)
Other income							3,650,017	5,859,833
Provision for taxation							(1,274,166,550)	(3,233,457,786)
Profit for the period							1,726,948,521	1,819,720,456

	Polyester		Textile spinning		Total	
	December 31, 2023		December 31, 2023		December 31, 2023	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	Rupees					
	28,530,555,044	25,598,769,135	29,972,915,836	35,790,982,176	58,503,450,880	61,389,751,311
Total assets for reportable segments					26,080,859,416	27,607,813,844
Unallocated assets					84,584,310,296	88,997,565,155
Total assets as per statement of financial position					10,446,309,000	12,666,678,175
Total Liabilities for reportable segment	4,833,176,102	6,618,101,362	5,613,132,898	5,848,576,813	17,761,256,176	21,681,090,381
Unallocated Liabilities					28,207,565,176	34,347,768,556
Total Liabilities as per statement of financial position						

### 10.1 Reconciliation of reportable segment assets and liabilities:

Total assets for reportable segments	28,530,555,044	25,598,769,135	29,972,915,836	35,790,982,176	58,503,450,880	61,389,751,311
Unallocated assets					26,080,859,416	27,607,813,844
Total assets as per statement of financial position					84,584,310,296	88,997,565,155
Total Liabilities for reportable segment	4,833,176,102	6,618,101,362	5,613,132,898	5,848,576,813	10,446,309,000	12,666,678,175
Unallocated Liabilities					17,761,256,176	21,681,090,381
Total Liabilities as per statement of financial position					28,207,565,176	34,347,768,556

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

11. The provisions for taxation, workers' profit participation fund and workers' welfare fund made in these condensed interim financial statements are subject to adjustments in annual financial statements.

## 12. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 25, 2024 by the Board of Directors of the Company.

## 13. GENERAL

13.1 There is no unusual item included in these condensed interim financial statements which is affecting assets, liabilities, profit, comprehensive income, cash flows or equity of the Company.

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



## ڈائریکٹرز کا جائزہ

آپ کے ادارے کے ڈائریکٹرز انتہائی مسرت کے ساتھ ادارے کی 30 ستمبر 2024 کو اختتام پذیر ہونے والی موجودہ مالی سال کی تیسری سہ ماہی اور نو ماہی کے غیر مصدقہ (unaudited) مالیاتی نتائج آپ کے سامنے پیش کرتے ہیں۔

### کاروباری کارکردگی

زیر نظر نو ماہی میں آپ کے ادارے کے پولیسٹر کے کارخانے نے 189,703 ٹن پولیسٹر سٹپل فائبر بنایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 204,760 ٹن پولیسٹر سٹپل فائبر بنایا تھا۔ اس پیداوار میں سے 26,723 ٹن پولیسٹر سٹپل فائبر آپ کے ادارے کے دھاگے کے اپنے کارخانوں میں مختلف اقسام کا آمیزشی دھاگہ بنانے میں صرف ہوا جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ کھپت 24,861 ٹن رہی تھی۔

آپ کے ادارے کے دھاگے کے کارخانوں نے زیر نظر نو ماہی میں 44,043 ٹن مختلف اقسام کا آمیزشی دھاگہ بنایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ پیداوار 40,171 ٹن رہی تھی۔

### مالیاتی کارکردگی

زیر نظر نو ماہی میں آپ کے ادارے کی خالص فروخت 91,043 ملین روپے رہی جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ فروخت 90,863 ملین روپے رہی تھی۔

زیر نظر نو ماہی میں آپ کے ادارے نے 7,025 ملین روپے کا خام نفع کمایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 8,658 ملین روپے کا خام نفع ہوا تھا۔

زیر نظر نو ماہی میں آپ کے ادارے نے 3,001 ملین روپے قبل از ٹیکس نفع کمایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 5,053 ملین روپے قبل از ٹیکس نفع کمایا تھا۔ بعد از ٹیکس نفع زیر نظر نو ماہی میں 1,727 ملین روپے رہا جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ نفع 1,820 ملین روپے رہا تھا۔

### صنعتی جائزہ اور مستقبل پر نقطہ نظر

ملکی معیشت نے تمام اہم محاذوں پر میکرو اکنامک معاشی استحکام کی طرف معقول پیش رفت کی ہے اور اس کے نتیجے میں بتدریج معاشی بحالی ہوئی ہے جس میں بالخصوص بڑے پیمانے کی صنعتیں شامل ہیں۔ تاہم پائیدار ترقی کے حصول کے لئے بنیادی اصلاحات کی ضرورت ہے جن پر ابھی تک کوئی خاص پیش رفت نہیں ہو سکی۔ مقامی منڈی میں پولیسٹر سٹپل فائبر کی ڈیمانڈ جاری ہے جو حکومت پاکستان کی جانب سے مقامی صنعت کی معاشی قیمت پر درآمدات کی حوصلہ افزائی کے لئے دی جانے والی غیر معمولی مراعات کی وجہ سے اب تک کے تمام پچھلے ریکارڈ توڑ چکی ہے اور اس سلسلے میں سب سے پہلے ایکسپورٹ فیسیلیٹیشن سکیم ہے۔ اس سکیم نے اب پولیسٹر سٹپل فائبر اور دھاگے سمیت مقامی صنعت کے کئی شعبوں کو متاثر کرنا شروع کر دیا ہے۔ بین الاقوامی سطح پر چین کی اقتصادی سست روی کے اثرات نمایاں ہونا شروع ہو گئے ہیں جس کے نتیجے میں خام تیل کی منڈی میں عدم استحکام پیدا ہو گیا ہے۔

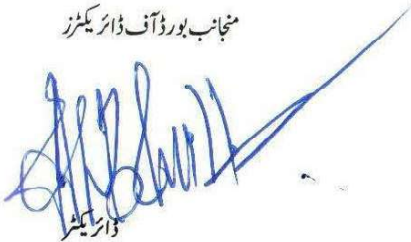
چنانچہ مستقبل میں خام تیل کی منڈی میں ہیبائی رجحانات رہنے کی توقع ہے جس کے نتیجے میں آپ کے ادارے سمیت پیٹرو کیمیکل کی تمام صنعت میں غیر یقینی کاروباری نتائج ہو سکتے ہیں۔ مزید برآں، پولیسٹر سٹپل فائبر اور دھاگے کی بے قابو درآمدات کا مستقبل میں بھی مقامی صنعت کے پیداواری حجم کو نقصان پہنچانے کا امکان ہے۔

اس بدلنے ہوئے تناظر میں آپ کے ادارے کی انتظامیہ مؤثر تجارتی نظم و نسق اور مالی انتظامات کو بروئے کار لاتے ہوئے بہتر مقدار فروخت اور نفع کے حصول کے لئے انتھک محنت جاری رکھے ہوئے ہے۔

### فی حصہ آمدنی

زیر نظر نو ماہی میں فی حصہ نفع 5.56 روپے رہا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 5.86 روپے فی حصہ نفع ہوا تھا۔

منجانب بورڈ آف ڈائریکٹرز



محمد نواز  
چیف ایگزیکٹو آفیسر

لاہور

25 اکتوبر 2024





I G C P K . C O M



000075

Ibrahim Fibres Limited  
Ibrahim Centre, 1 - Ahmed Block,  
New Garden Town, Lahore - 54600, Pakistan.  
UAN: 111-333-777