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BILAL FIBRES LIMITED

3rd Floor, Plot No. 91, Sharif Plaza,
Hassan Commercial Zone, Al Rehman Garden,
Phase-2, Saggian Bypass, Lahore.
Ph: 0303-4444375 – 0300-8653620



BILAL
FIBRES LIMITED
(ISO 9001:2000 CERTIFIED)



**HALF YEARLY
REPORT**

DECEMBER 31, 2022
(UN-AUDITED)



BILAL FIBRES LIMITED

COMPANY INFORMATION

Chief Executive	Mr. Naeem Omer
Chairman	Mr. Muhammad Omer
Directors	Mr. Naeem Omer Mr. Anwaar Abbass Mr. Muhammad Asghar Mr. Muhammad Aslam Bhatti Mr. Muhammad Kashif Mr. Muhammad Omer Mr. Shahid Iqbal
Audit Committee	
Chairman:	Mr. Muhammad Aslam Bhatti
Member:	Mr. Anwaar Abbass
Member:	Mr. Muhammad Omer
Human Resource & Remuneration Committee	
Chairman:	Mr. Muhammad Kashif
Member:	Mr. Muhammad Asghar
Member:	Mr. Shahid Iqbal
Company Secretary	Mr. Muhammad Ijaz Shahid
Auditors	M/s Mushtaq & Co. Chartered Accountants 19-B, Block G, Gulberg-III, Lahore.
Bankers	The Bank of Punjab MCB (NIB) Bank Limited Silk Bank Limited
Share Registrar	M/s Corplink (Pvt.) Ltd. Wings Arcade, 1-K, Commercial, Model Town, Lahore.
Legal Advisor	Aakif Majeed But 9-G, Mustaq Gurmani Road, Gulberg II, Lahore
Head Office / Registered Office	3rd Floor, Plot No. 91, Sharif Plaza, Hassan Commercial Zone, Al Rehman Garden, Phase-2, Saggian Bypass, Lahore Ph: 0303-4444375 – 0300-8653620 Email: fm@bilalfibres.com Website: 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 reviewed by the external auditors of the Company for the half year ended 31st December 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. 9.903 million for the period ended December 31, 2022 as compared to last half year comparative period loss of Rs. 18.831 million.

FINANCIAL AND OPERATING PERFORMANCE

The financial results are summarized hereunder:

Particulars	31st December 2022 Rupees In Million	31st December 2021 Rupees In Million
Administrative expenses	(12.302)	(12.655)
Other Income	3.000	3.000
Finance Cost	(0.000)	(9.176)
Net Loss before tax	(9.303)	(18.831)
Net Loss after tax	(9.303)	(18.831)
Loss per share (Rs.)	(0.66)	(1.34)

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

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.

STATUS OF QUALIFICATION IN THE AUDITORS' REVIEW REPORT

In the Auditor's Review Report, major qualifications are pertain to the litigation matters with the banking companies. The management of the Company has been closely working with the banking companies to be out from these litigation matters amicably.

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

(Naeem Omer)
Chief Executive

Lahore
February 23, 2023



BILAL FIBRES LIMITED

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2022 کو رقم ہونے والی ششماہی کے لئے کمپنی کے غیر متعلقہ حسابات اور ان پر ہر روٹی حساب کا جائزہ پیش کر رہے ہیں۔

حسابات آئی ایس 34 کی ہر روٹی میں تیار کیے گئے ہیں اور کنٹریڈ آڈٹس 1984 کی دفعہ 245 کے تحت پیش کیے جا رہے ہیں۔

گزشتہ ششماہی کی مالی مدد میں 9.303 ملین روپے نقصان کے متعلقہ کمپنی کو 31 دسمبر 2021 کو گزشتہ مدت کے لئے 18.831 ملین روپے کا نقصان ہوا ہے۔

مالی اور آپریٹنگ کارکردگی

مالیاتی نتائج کا خلاصہ حسب ذیل ہے:-

تفصیلات	31 دسمبر 2022ء	31 دسمبر 2021ء
ادھائی ہزار اجات	(12.302)	(12.655)
دوسری آمدنی	3.000	3.000
مالی اخراجات	(0.000)	(9.176)
غیر متعلقہ منافع/نقصان	(9.303)	(18.831)
پہلے متعلقہ منافع/نقصان	(9.303)	(18.831)
فی شخص نقصان/دہائی	(0.66)	(1.34)

آپریٹنگ کارکردگی

گزشتہ مدت کے دوران کمپنی کے مشکل حالات کی وجہ سے مل بند رہی اور جس کی وجہ سے کاروبار بند ہو سکا۔

مشکل کے امکانات

کمپنی کی انتظامیہ بینکاری کمپنیوں کے ساتھ مل کر کام کر رہی ہے تاکہ ان کا قانونی چارہ جوئی معاملات سے آہستہ طریقے سے نکالا جائے۔ انتظامیہ موجودہ بحران سے نکلنے کے لئے نئے سرمایہ کاری/جوینٹ وینچر کے منصوبے کے لئے بھی مختلف طریقوں کی تلاش میں ہے۔ ہم بہت پر امید ہیں کہ ہماری کوششیں مستقبل میں کامیاب ہوں گی اور کمپنی اپنی کاروباری سرگرمیاں بحال کرنے کی پوزیشن میں ہوگی اور اعلیٰ منافع جات سے اپنے نقصانات کو کم کرنے اور اپنی تمام ذمہ داریوں کو پورا کرنے میں کامیاب ہوگی۔ آپ کی کمپنی کی انتظامیہ تمام اسٹیبلشمنٹ ہولڈرز کے فائدے کے لئے بہترین نکلنے کے لئے مسلسل کوششیں کر رہی ہے۔ ہم اپنے تمام حصص داران کی مسلسل حمایت اور تعاون پر ان کا شکریہ ادا کرتے ہیں۔

آڈیٹرز کی جائز رپورٹ میں Qualification کی حقیقت

آڈیٹرز کی زیادہ تر Qualification مالیاتی اداروں کے معاملات، مقدمات اور کاروبار بند کرنے کے حقائق ہیں۔ کمپنی انتظامیہ مالیاتی اداروں کے ساتھ قانونی معاملات حل کرنے کے بارے میں شجیدگی سے کام کر رہی ہے

اعتماد رکھو

ہم اپنے صارفین، سپلائرز اور مالیاتی اداروں کی مسلسل حمایت کا شکریہ ادا کرتے ہیں۔ ان مشکل حالات میں اپنے ملازمین کی اہم کردہ گماں قدر خدمات کو سراہتے ہیں۔

منجانب برڈ

(مضموم)

چیف ایگزیکٹو

لاہور 23 فروری 2023ء



BILAL FIBRES LIMITED

CHAIRMAN'S REVIEW REPORTS

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, 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.

Lahore
February 23, 2023

Muhammad Omer
Chairman



BILAL FIBRES LIMITED

چیئر مین کی جائزہ رپورٹ

میں آپ کے کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر، 2022 کو ختم ہونے والی ششماہی کے غیر تصفیج شدہ حسابات کے ساتھ آپ کی کمپنی کی کارکردگی پر اپنا جائزہ پیش کر رہا ہوں۔

کمپنی کی کارکردگی

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

مستقبل کے امکانات

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

اظہار تشکر

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

(محمد عمر)

لاہور 23 فروری 2023ء

چیئر مین

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

19-B, Block G, Gulberg-III, Lahore. Tel: 042-35858624-6

Email: audit.lhr@mushdaqandco.com



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, 2022 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, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

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 Disclaimer of Conclusion

- We did not observe the counting of the Physical inventory of stock in trade and property, plant and equipment amounting to Rs.57,873 million (June 30,2022: Rs. 57,873 million) and Rs. 345,630 million (June 30,2022: Rs. 354,570) million respectively to verify the existence and valuation of stock in trade and Property, plant and equipment. The management informed us that the stocks are pledged with the banking Companies and are under litigation, while the factory is on lease now with the third party.
- The Company has not carried out revaluation of property, plant and equipment (except for factory equipment, office and electric equipment and furniture and fixture) which was due on June 30, 2022 due to discontinuity of operations. Previous revaluation was carried out on June 28, 2019. Therefore, we are unable to determine whether any adjustments were necessary in this regard.
- The stocks are carried out in the statement of financial position at Rs. 57,873 million i.e. at cost. Management has not stated the inventories at lower of cost or net realizable value as required by the financial reporting standards as applicable in Pakistan, which constitutes a departure from applicable financial reporting standards. Therefore, we are unable to determine whether any adjustments were necessary in this regard.
- The company is in litigation with the banking companies. The company had not worked out and provided the amount of mark-up on long term financing from financial institutions. Liabilities against assets subject to finance lease and short term borrowings in these financial statements. Moreover, due to litigation banking companies do not confirm us the balances of long term financing. Liabilities against assets subject to finance lease and short term borrowings. Based on available underlying records, response from the legal counsel and non-confirmation of loan balances from banking companies, we were unable to determine with reasonable accuracy the impact on these financial statements of any disagreement.

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

19-B, Block G, Gulberg-III, Lahore. Tel: 042-35858624-6

Email: audit.lhr@mushdaqandco.com



- We have not received reply of confirmation request from banks in respect of bank guarantees amounting to Rs. 8.675 million (refer to note no 24.10 and 24.11 of financial statements as at June 30, 2022) in aggregate and bank guarantee margin amounting to Rs. 2.925 million, to verify the correctness of contingency and trade deposits and short term prepayments. We were also unable to satisfy ourselves as to the correctness of the reported balances by performing other alternate auditing procedures.
- At the balance sheet date, the Company's accumulated losses stand at Rupees 509.158 million (June 30, 2022: Rs. 501.565 million) and its current liabilities exceed its current assets by Rupees 922.622 million (June 30, 2022: Rs. 923.491 million).

The Company has suspended its operations since June 16, 2016 and has leased out the factory. 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 'f' 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 (f) above we are unable to determine the quantum of the required adjustments and provisions with a reasonable degree of accuracy.

Disclaimer of Conclusion

Because of the significance of the matters referred in paragraph (a) to (f) above, we are unable to obtain sufficient and appropriate evidence to form a conclusion on the accompanying interim financial information. Accordingly, we do not express any conclusion on these financial statements.

The engagement partner on review resulting in this independent auditor's report is Zahid Hussain Zahid FCA.


MUSHTAQ & CO
Chartered Accountants
KARACHI

Karachi.
Dated: 23 February, 2023

UDIN: RR202210043oh01mr5bl.



BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

Note	Rupees	
	Un-Audited December 31, 2022	Audited June 30, 2022
NON-CURRENT ASSETS		
Property, plant and equipment	4 345,630,454	354,570,907
Right of use assets	5 48,054,746	49,286,919
Investment property	572,997,757	572,997,757
Long term deposits	1,156,180	1,156,180
	967,839,137	978,011,763
CURRENT ASSETS		
Stock in trade	57,872,747	57,872,747
Loan and advances	7,000	-
Trade deposits and short term prepayments	2,925,765	2,925,765
Other receivables	19,180,975	17,120,975
Sales tax refundable	818,786	818,786
Tax Refunds Due From Government	3,515,444	3,515,444
Cash and bank balances	506,438	445,250
	84,827,155	82,698,967
	1,052,666,292	1,060,710,730
SHARE CAPITAL AND RESERVES		
Authorised share capital		
15,000,000 (June 30, 2022: 15,000,000) Ordinary shares of Rs. 10 each	150,000,000	150,000,000
Issued, subscribed and paid up capital		
14,100,000 (June 30, 2022: 14,100,000) Ordinary shares of Rs. 10 each	141,000,000	141,000,000
Accumulated loss	(509,158,046)	(501,564,754)
Surplus on revaluation of property, plant and equipment	405,813,786	407,523,932
	37,655,740	46,959,178
NON CURRENT LIABILITIES		
Long term financing from Banking Companies - Secured	-	-
Long term financing from directors and associates	-	-
Liabilities against assets subject to finance lease	-	-
Deferred liabilities	7,561,010	7,561,010
	7,561,010	7,561,010
CURRENT LIABILITIES		
Trade and other payables	43,803,534	42,494,535
Unclaimed dividend	235,776	235,776
Accrued Interest/Mark up payable	97,520,035	97,520,035
Loan from directors and associates	128,072,951	128,122,951
Short term borrowings	136,365,534	136,365,534
Current portion of:		
Long term financing from Banking Companies	493,145,381	493,145,381
Liabilities against assets subject to finance lease	108,306,331	108,306,331
	1,007,449,542	1,006,190,542
Contingencies and commitments		
6	-	-
	1,052,666,292	1,060,710,730

The annexed notes form part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (Un-Audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

Note	Half Year Ended		Quarter Ended	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
	(Rupees)		(Rupees)	
Sales	-	-	-	-
Cost of sales	-	-	-	-
Gross loss	-	-	-	-
Distribution cost	-	-	-	-
Administrative expenses	(12,302,626)	(12,654,937)	(6,281,313)	(6,327,469)
Other operating income	3,000,000	3,000,000	1,500,000	1,500,000
Finance cost	(812)	(9,175,833)	(58)	(9,175,804)
	(9,303,438)	(18,830,770)	(4,781,371)	(14,003,273)
Loss before taxation	(9,303,438)	(18,830,770)	(4,781,371)	(14,003,273)
Provision for taxation	-	-	-	-
Loss for the period	(9,303,438)	(18,830,770)	(4,781,371)	(14,003,273)
Loss per share - basic and diluted	(0.66)	(1.34)	(0.34)	(0.99)

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, 2022

	Half Year Ended		Quarter Ended	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
	(Rupees)		(Rupees)	
Loss after taxation	(9,303,438)	(18,830,770)	(4,781,371)	(14,003,273)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	(9,303,438)	(18,830,770)	(4,781,371)	(14,003,273)

The annexed notes form part of these financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Share capital	Revenue Reserve	Capital Reserve	Total
		Accumulated loss	Surplus on revaluation of fixed assets	
(Rupees)				
Balance as on 01 July 2021	141,000,000	(449,607,892)	411,124,240	102,517,148
Net Profit/(loss) for the year	-	(18,830,770)	-	(18,830,770)
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	1,894,899	(1,894,899)	-
Other comprehensive income for the period	-	-	-	-
Balance as on December 31, 2021	141,000,000	(466,542,963)	409,229,341	83,686,378
Balance as on 01 July 2022	141,000,000	(501,564,754)	407,523,932	46,959,178
Net Profit/(loss) for the year	-	(9,303,438)	-	(9,303,438)
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	1,710,146	(1,710,146)	-
Other comprehensive income for the period	-	-	-	-
Balance as on December 31, 2022	141,000,000	(509,158,846)	405,813,786	37,655,740

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, 2022

Note	December 31,	December 31,
	2022	2021
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(9,303,438)	(18,830,770)
Adjustment for non-cash and other related items:		
Depreciation on operating fixed assets	8,940,453	9,419,913
Depreciation on right of use assets	1,232,173	1,297,024
Notional income /expense on interest free loans	-	9,175,775
Finance cost	812	58
Cash flow generated/(used in) from operating activities before working capital changes	870,000	1,062,000
Effect on cash flow due to working capital changes :		
(Increase) / decrease in current assets:		
Loan and advances	(7,000)	(72,000)
Other receivables	(2,060,000)	(500,000)
Increase in trade and other payables	1,309,000	6,769,855
Net cash used in working capital	(758,000)	6,197,855
Cash generated from / (used in) operating activities	112,000	7,259,855
Finance cost	(812)	(58)
Net cash generated from operating activities	111,188	7,259,797
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in short term borrowings - net	-	(7,100,000)
Increase/(decrease) in financing from directors and associates	(50,000)	(550,000)
Net cash (used in) financing activities	(50,000)	(7,650,000)
Net (decrease)/increase in cash and cash equivalents	61,188	(390,203)
Cash and cash equivalents at the beginning of the period	445,250	622,540
Cash and cash equivalents at the end of the period	506,438	232,337

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 HALF YEAR ENDED DECEMBER 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, Shekhupura Road, Tehsil Jaranwala, 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 509.16 million (June 30, 2022: Rupees 501.56 million). The current liabilities exceeded its current assets by Rupees 922.62 million (June 30, 2022: Rupees 923.49 million) as of balance sheet date. These conditions along with adverse key financial ratios and company's court cases with the banking companies on its inability to comply with covenants of loan agreements and to pay long term financing liabilities against assets subject to finance lease, short term borrowings and related finance costs on due dates indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

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

2 BASIS OF PREPARATION

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

2.1 Statement of compliance

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

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

a) Standards, interpretations and amendments to published approved accounting standards that are 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, 2022. However, these do not have any significant impact on the Company's financial reporting.

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

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

2.3 Basis of measurement

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

2.4 Accounting Estimates and Judgments

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

2.8 Functional currency

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

3 SIGNIFICANT ACCOUNTING POLICIES

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



BILAL FIBRES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

Note	Unaudited	Audited
	December 31, 2022	June 30, 2022
Rupees		
4 PROPERTY PLANT AND EQUIPMENT		
Operating assets	345,630,454	354,570,907
	<u>345,630,454</u>	<u>354,570,907</u>
4.1 Operating assets		
Opening Book Value	354,570,907	373,410,730
Depreciation charged during the period / year	(8,940,453)	(18,839,823)
	<u>345,630,454</u>	<u>354,570,907</u>
5 RIGHT OF USE ASSETS		
Opening Balance	49,286,919	51,880,967
Depreciation charged during the period / year	(1,232,173)	(2,594,048)
	<u>48,054,746</u>	<u>49,286,919</u>
6 CONTINGENCIES AND COMMITMENTS		
6.1 Contingencies and commitments are same as at June 30, 2022.		
7 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	Half Year Ended	
		December 31, 2022	December 31, 2021
Director	Repayment of loan	50,000	-

8 GENERAL

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

8.2 Figures have been rounded off to the nearest Rupee.

9 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 February 23, 2023.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR