





# CONTENTS

Company Information	02
Directors' Review	04
Independent Auditor's Review Report	05
Condensed Interim Statement of Financial Position	08
Condensed Interim Statement of Profit or Loss	09
Condensed Interim Statement of Comprehensive Income	10
Condensed Interim Statement of Cash Flows	11
Condensed Interim Statement of Changes in Equity	12
Selected Explanatory Notes to the Condensed Interim Financial Statements	13
Directors' Review - Urdu	19

# COMPANY INFORMATION

## BOARD OF DIRECTORS

Sheikh Mukhtar Ahmad  
*Chairman*

Mohammad Naeem Mukhtar  
*Chief Executive Officer*

Muhammad Waseem Mukhtar

Sarah Naeem

Abdul Hameed Bhutta

Saba Muhammad

Ikram ul Haq Mian

## CHIEF FINANCIAL OFFICER

Mohammad Naeem Asghar

## COMPANY SECRETARY

Farhan Siddique

## AUDITORS

Yousuf Adil  
Chartered Accountants

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Saba Muhammad  
*Chairperson*

Abdul Hameed Bhutta  
*Member / Secretary*

Ikram ul Haq Mian  
*Member*

## AUDIT COMMITTEE

Ikram ul Haq Mian  
*Chairman*

Abdul Hameed Bhutta  
*Member*

Saba Muhammad  
*Member*

Muhammad Iqbal Chaudhry  
*Secretary*

## REGISTRAR'S & SHARES REGISTRATION OFFICE

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

## 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

## 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 - Sheikhpura 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 second quarter and half year ended June 30, 2023.

## OPERATING PERFORMANCE

During the half year under review, the Polyester Plant of your Company produced 134,470 tons of Polyester Staple Fibre (PSF) as against production of 183,849 tons of PSF during the corresponding period of previous year. Out of this production, 16,447 tons of PSF were consumed by the textile plants of your Company for production of blended yarns as against 17,604 tons consumed during the corresponding period of previous year.

The textile plants of your Company produced 26,400 tons of blended yarns of different counts during the half year under review as against production of 27,784 tons during the corresponding period of previous year.

## FINANCIAL PERFORMANCE

During the half year under review, your Company achieved net sales of Rs. 60,112 million as compared to Rs. 64,121 million during corresponding period of previous year.

Your Company earned gross profit of Rs. 6,696 million during the period under review as compared to Rs. 12,099 million during corresponding period of the previous year.

During the period under review, your Company had profit before tax of Rs. 4,368 million and profit after tax of Rs. 1,761 million as against Rs. 10,266 million and Rs. 5,803 million respectively during the corresponding period of previous year.

## FUTURE OUTLOOK

The half year under review witnessed substantial slowdown in domestic economy due to a very aggressive approach by the policy makers to address the prevalent economic uncertainties triggered primarily by persistent high inflation, deteriorating foreign exchange reserves and significant depreciation of Pak Rupee. The situation further worsened due to political uncertainty alongwith very stringent conditions imposed by international lenders to revive their financing programs.

This downturn in domestic economy is expected to continue in the foreseeable future due to high interest rate, elevated power tariff and domestic currency devaluation, which will adversely impact revenues as well as margins across the industry. Moreover, crude oil prices are also expected to remain volatile in the upcoming days further adding hardships to the existing uncertain economic environment.

In this evolving scenario, the management of your Company is striving hard to increase market share through effective marketing strategies and better operating results through prudent financial controls.

## EARNINGS PER SHARE

Earnings per share for the half year ended June 30, 2023 has come to Rs. 5.67 as compared to Rs. 18.69 during the corresponding period of previous year.

On behalf of the Board

Lahore  
August 18, 2023

Chief Executive Officer

Director

# INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ibrahim Fibres Limited

## Report on Review of Interim Financial Statements

### INTRODUCTION

We have reviewed the accompanying condensed interim statement of financial position of Ibrahim Fibres Limited (the Company) as at June 30, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year 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 interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarter ended June 30, 2023 and related comparative information have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2023.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard 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 procedures. A review is substantially less in scope than an 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.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Rana M. Usman Khan.

### Yousuf Adil

*Chartered Accountants*

Lahore

Date: August 18, 2023

UDIN: RR202310088TrRJw3beB





IBRAHIM FIBRES LIMITED  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED JUNE 30, 2023

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2023

	Note	Unaudited June 30, 2023 Rupees	Audited December 31, 2022 Rupees
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	3	40,226,588,097	38,574,670,166
Intangible assets		146,584,897	156,735,497
Long term loans		126,741,041	132,205,551
Long term deposits		11,624,275	9,557,368
		40,511,538,310	38,873,168,582
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		7,013,541,065	5,753,243,939
Stock in trade		25,059,000,072	26,125,707,178
Trade debts		2,523,633,831	1,992,226,388
Loans and advances		4,008,919,086	2,771,491,668
Prepayments		153,465,056	96,890,500
Other receivables		8,216,392,899	7,336,915,398
Short term investment		–	13,258,192
Cash and bank balances		122,702,345	114,023,145
		47,097,654,354	44,203,756,408
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,726,169,157	3,880,200,984
Markup / interest payable		405,042,379	429,965,379
Short term bank borrowings		8,478,886,017	9,898,080,298
Current portion of long term financing		306,428,603	254,892,774
Unclaimed dividend		28,883,316	28,941,755
Provision for taxation - income tax		5,876,460,138	4,088,207,649
		18,821,869,610	18,580,288,839
<b>Working capital</b>		28,275,784,744	25,623,467,569
<b>Total capital employed</b>		68,787,323,054	64,496,636,151
<b>NON - CURRENT LIABILITIES</b>			
Long term financing		5,049,402,216	3,383,440,576
Deferred liabilities:			
Deferred taxation		6,108,217,344	5,289,421,657
Staff retirement gratuity		1,418,025,056	1,373,340,363
		12,575,644,616	10,046,202,596
<b>CONTINGENCIES AND COMMITMENTS</b>			
	4	–	–
<b>Net worth</b>		56,211,678,438	54,450,433,555
<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		52,034,590,938	50,273,346,055
		56,211,678,438	54,450,433,555

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

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the half year ended June 30, 2023

	Note	Quarter ended June 30,		Half year ended June 30,	
		2023 Rupees	2022 Rupees	2023 Rupees	2022 Rupees
Sales - net		30,396,601,865	33,461,032,727	60,112,358,198	64,121,491,784
Cost of goods sold	5	(27,114,885,556)	(27,578,033,340)	(53,416,698,070)	(52,022,167,703)
Gross profit		3,281,716,309	5,882,999,387	6,695,660,128	12,099,324,081
Selling and distribution expenses		(183,353,909)	(135,563,108)	(352,520,703)	(250,834,380)
Administrative expenses		(564,665,170)	(492,657,585)	(1,098,930,148)	(881,123,490)
Other operating expenses		(161,843,312)	(367,237,108)	(341,614,715)	(759,875,665)
Finance cost		(326,839,252)	(36,700,176)	(570,210,711)	(129,578,047)
		(1,236,701,643)	(1,032,157,977)	(2,363,276,277)	(2,021,411,582)
Other income		2,045,014,666	4,850,841,410	4,332,383,851	10,077,912,499
		19,376,046	163,947,324	35,909,208	187,963,471
Profit before taxation		2,064,390,712	5,014,788,734	4,368,293,059	10,265,875,970
Provision for taxation		(2,189,799,185)	(2,830,100,525)	(2,607,048,176)	(4,462,672,648)
(Loss) / profit for the period		(125,408,473)	2,184,688,209	1,761,244,883	5,803,203,322
Earnings per share - Basic and Diluted		(0.40)	7.04	5.67	18.69

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

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the half year ended June 30, 2023

	Quarter ended June 30, 2023 Rupees	Quarter ended June 30, 2022 Rupees	Half year ended June 30, 2023 Rupees	Half year ended June 30, 2022 Rupees
(Loss) / profit for the period	(125,408,473)	2,184,688,209	1,761,244,883	5,803,203,322
Other comprehensive income for the period	–	–	–	–
Total comprehensive income for the period	(125,408,473)	2,184,688,209	1,761,244,883	5,803,203,322

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

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

For the half year ended June 30, 2023

	Note	Half year ended June 30, 2023 Rupees	2022 Rupees
<b>a) Cash flows from operating activities</b>			
Operating cash flows before working capital changes	6	6,967,105,937	12,415,973,687
Changes in working capital			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(1,260,297,126)	(332,484,430)
Stock in trade		1,066,707,106	1,421,997,307
Trade debts		(531,407,443)	(420,749,920)
Loans and advances		(161,205,957)	(439,150,914)
Prepayments		(56,574,556)	49,244,864
Other receivables		(879,483,410)	(338,363,664)
(Decrease) / increase in current liabilities			
Trade and other payables		(162,801,433)	2,258,683,955
		(1,985,062,819)	2,199,177,198
Cash generated from operations		4,982,043,118	14,615,150,885
Long term loans - net		5,223,990	(20,138,322)
Finance cost paid		(685,997,480)	(223,422,325)
Income tax paid - net		(1,075,980,941)	(986,784,485)
Staff retirement gratuity paid		(94,893,787)	(57,497,775)
Net cash from operating activities		3,130,394,900	13,327,307,978
<b>b) Cash flows from investing activities</b>			
Additions in:			
Property, plant and equipment		(3,437,412,548)	(1,943,251,560)
Intangible assets		(9,873,851)	(7,414,098)
Proceeds from disposal of property, plant and equipment		13,313,330	5,101,917
Long term deposits		(2,066,907)	(157,341)
Profit on investment at amortised cost		1,290,000	393,206
Profit on deposits		2,789,527	4,430,081
Short term investment made		-	(5,580,280,234)
Redemption of short term investment		12,000,000	-
Net cash used in investing activities		(3,419,960,449)	(7,521,178,029)
<b>c) Cash flows from financing activities</b>			
Long term financing obtained		1,844,758,600	586,519,078
Repayment of long term financing		(127,261,131)	-
Dividend paid		(58,439)	(1,486,020)
Net cash from financing activities		1,717,439,030	585,033,058
<b>Net increase in cash and cash equivalents (a+b+c)</b>		<b>1,427,873,481</b>	<b>6,391,163,007</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>(9,784,057,153)</b>	<b>(6,726,913,217)</b>
<b>Cash and cash equivalents at the end of the period</b>	7	<b>(8,356,183,672)</b>	<b>(335,750,210)</b>

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

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the half year ended June 30, 2023

	Share Capital	Capital Reserves		Revenue Reserves		Total
		Share premium	Merger reserve	General reserve	Unappropriated profit	
		Rupees				
Balance as at January 01, 2022	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	40,945,704,066	49,212,464,665
Total comprehensive income for the period						
Profit for the period	-	-	-	-	5,803,203,322	5,803,203,322
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	5,803,203,322	5,803,203,322
Balance as at June 30, 2022	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	46,748,907,388	55,015,667,987
Total comprehensive income for the period						
Loss for the period	-	-	-	-	(492,658,021)	(492,658,021)
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of staff retirement gratuity	-	-	-	-	(108,323,001)	(108,323,001)
Deferred tax	-	-	-	-	35,746,590	35,746,590
					(72,576,411)	(72,576,411)
	-	-	-	-	(565,234,432)	(565,234,432)
Balance as at December 31, 2022	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	-	-	-	-	1,761,244,883	1,761,244,883
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,761,244,883	1,761,244,883
Balance as at June 30, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	47,944,917,839	56,211,678,438

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

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended June 30, 2023

## 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. SIGNIFICANT ACCOUNTING POLICIES

### 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, 2023 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, 2022.

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended June 30, 2023

## 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, 2022. 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, 2022.

## 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, 2022.

	Unaudited June 30, 2023 Rupees	Audited December 31, 2022 Rupees
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets	36,868,213,303	37,877,876,411
Capital work in progress	3,358,374,794	696,793,755
	<b>40,226,588,097</b>	<b>38,574,670,166</b>

	Half year ended June 30, 2023		Half year ended June 30, 2022	
	Acquisitions Rupees	Disposals / Transfer Rupees	Acquisitions Rupees	Disposals / Transfer Rupees
<b>3.1 Acquisitions and disposals / transfers - at cost</b>				
<b>Operating assets</b>				
Freehold land	21,064,600	-	19,822,000	-
Leasehold land	520,001,000	-	-	-
Building on freehold land	-	-	150,674,879	16,799,357
Plant and machinery	99,683,373	4,003,284	3,182,162,657	3,315,253
Furniture and fixture	54,962,138	-	20,752,688	20,000
Office equipment	137,973,750	11,187,139	39,807,885	6,442,090
Vehicles	43,205,893	26,891,437	174,493,174	12,213,287
<b>Capital work in progress</b>				
Building on freehold land	141,500,430	-	70,458,697	140,085,959
Plant and machinery	2,325,186,009	-	729,891,294	2,530,748,610
Others	383,997,803	189,103,203	338,185,676	120,544,832
	<b>3,727,574,996</b>	<b>231,185,063</b>	<b>4,726,248,950</b>	<b>2,830,169,388</b>

## 4. CONTINGENCIES AND COMMITMENTS

### 4.1 Contingencies

There is no change in contingent liabilities since the date of published audited financial statements for the year ended December 31, 2022 except the following:



# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended June 30, 2023

- (i) Bank guarantees issued in favour of The Director, Excise and Taxation, Karachi against imposition of infrastructure cess as mentioned in Note 19.1.1 (ii) to the above referred financial statements have been increased to Rs. 2,500,000 million.
- (ii) Deputy Commissioner Inland Revenue (DCIR) passed an order and disallowed input tax based on various reasons as mentioned in note 19.1.11 to the above referred financial statements. The Company filed an appeal dated March 26, 2018 before Commissioner Inland Revenue - (Appeals) (CIR-A). CIR-A passed order dated February 08, 2022 and remanded back the matter to assessing officer. During the period, 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 in subsequent period.
- (iii) 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 19.1.19 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. During the period, 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 in subsequent period.
- (iv) DCIR passed an order dated June 28, 2021 and created demand in respect of sales tax under various provisions of Sales Tax Act, 1990 in post refund audit from July 2017 to June 2019 as mentioned in note 19.1.21 to the above referred financial statements. The Company filed an appeal against the order before CIR-A. CIR-A passed an order dated October 15, 2021 and remanded back the matter to assessing officer. DCIR passed order dated December 31, 2022 and created the demand of Rs. 205 million, which was deposited by the Company under protest. During the period, the Company filed appeal before CIR-A dated January 30, 2023 which is pending for adjudication.
- (v) DCIR passed an order dated June 30, 2021 creating demand for tax year 2015 regarding income tax as mentioned in note 19.1.22 to the above referred financial statements. The Company filed an appeal before CIR-A. CIR-A passed an order dated February 24, 2022 and remanded back the matter to assessing officer. Both Commissioner Inland Revenue (CIR) and the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A dated April 21, 2022 and June 24, 2022 respectively. During the period, ATIR issued an order dated January 09, 2023 and decided the case in favour of the Company except one point which was remanded back to DCIR for verification. DCIR filed Income Tax Review before Lahore High Court (LHC) on April 29, 2023 against ATIR order.
- (vi) DCIR passed an amended assessment order dated June 30, 2022 in respect of tax year 2016 as mentioned in note 19.1.25 to the above referred financial statements. The Company filed an appeal against the order before CIR-A on July 27, 2022. CIR-A passed an order dated November 17, 2022 and decided matters partially in favour of the Company. CIR and the Company filed appeals before ATIR against the order of CIR-A dated December 20, 2022 and January 14, 2023 respectively.

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended June 30, 2023

- (vii) During the period, DCIR passed an order dated January 31, 2023 and created a demand of Rs. 49 million regarding zero rated sales to unregistered customers for the period July 2016 to June 2017 as mentioned in note 19.1.26 to the above referred financial statements. The Company filed an appeal against the order before CIR-A dated March 01, 2023 which is pending for adjudication.

	Unaudited June 30, 2023 Rupees in million	Audited December 31, 2022 Rupees in million
<b>4.2 Commitments</b>		
<b>4.2.1 Under contracts for capital expenditure:</b>		
Land and Building	87.329	153.439
Plant and machinery	89.821	46.237
<b>4.2.2 Under letters of credit for:</b>		
Plant and machinery	371.791	1,673.583
Raw materials, stores and spare parts	5,758.845	2,484.434

	Quarter ended June 30, 2023 Rupees	Quarter ended June 30, 2022 Rupees	Half year ended June 30, 2023 Rupees	Half year ended June 30, 2022 Rupees
<b>5. COST OF GOODS SOLD</b>				
Raw materials consumed	24,173,726,819	24,531,763,232	43,246,095,562	43,927,946,343
Packing materials	286,507,818	273,725,800	510,562,993	518,166,252
Salaries, wages and benefits	695,441,230	535,070,135	1,259,118,120	1,030,652,484
Staff retirement benefits	43,848,057	33,885,321	87,696,114	67,770,642
Stores and spare parts	552,429,313	420,533,071	972,113,798	862,838,720
Fuel and power	2,977,930,500	2,873,058,943	5,462,676,714	5,160,431,595
Insurance	37,391,816	24,084,539	74,783,804	48,169,355
Depreciation of property, plant and equipment	847,717,335	890,800,429	1,692,900,586	1,725,088,312
Amortisation of intangible assets	2,791,146	2,772,146	5,582,292	3,696,195
Other	205,712,396	260,582,457	430,327,971	448,096,344
	29,823,496,430	29,846,276,073	53,741,857,954	53,792,856,242
Work in process				
Opening stock	1,118,940,069	1,099,180,187	1,121,215,177	952,447,347
Closing stock	(1,151,941,432)	(1,402,925,010)	(1,151,941,432)	(1,402,925,010)
	(33,001,363)	(303,744,823)	(30,726,255)	(450,477,663)
Cost of goods manufactured	29,790,495,067	29,542,531,250	53,711,131,699	53,342,378,579
Finished goods				
Opening stock	6,021,581,671	3,261,602,078	8,402,757,553	3,905,889,112
Closing stock	(8,697,191,182)	(5,226,099,988)	(8,697,191,182)	(5,226,099,988)
	(2,675,609,511)	(1,964,497,910)	(294,433,629)	(1,320,210,876)
	27,114,885,556	27,578,033,340	53,416,698,070	52,022,167,703

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended June 30, 2023

	Half year ended June 30,	
	2023	2022
	Rupees	Rupees
<b>6. OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES</b>		
Profit before taxation	4,368,293,059	10,265,875,970
Adjustments for:		
Depreciation / amortisation of property, plant and equipment	1,867,718,350	1,908,091,156
Amortisation of intangible assets	20,024,451	10,269,132
Provision for staff retirement gratuity	138,152,610	106,152,537
Balance written off - net	–	71,592
Loss on disposal of property, plant and equipment	5,522,182	3,521,630
Profit on investment at amortised cost	(31,808)	(622,849)
Profit on deposits	(2,783,618)	(4,430,081)
Gain on remeasurement of investment	–	(2,533,447)
Finance cost	570,210,711	129,578,047
	6,967,105,937	12,415,973,687
<b>7. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	122,702,345	294,195,371
Short term bank borrowings	(8,478,886,017)	(629,945,581)
	(8,356,183,672)	(335,750,210)

## 8. 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:

	Half year ended June 30,	
	2023	2022
Relationship and nature of transaction	Rupees	Rupees
Associated undertakings		
Rent charged	5,795,742	5,732,490
Mark up / interest charged on short term bank borrowings	19,974,817	–
Mark up / interest payable on short term bank borrowings	4,991,806	–
Bank charges and commission	6,287,929	17,758
Rental income	6,000	6,000
Sales	280,207,755	–
Key management personnel		
Remuneration	51,100,000	46,500,000
Reimbursable expenses	3,494,308	1,166,879
<b>Reconciliation of bank account - current including running finance maintained with associated company:</b>		
Opening Balance	(983,662,531)	(102,725)
Transfers in during the period	27,691,681,570	2,797,041,810
Transfers out during the period	(27,539,790,401)	(2,598,712,302)
Closing Balance	(831,771,362)	198,226,783

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended June 30, 2023

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	8.1	91.5542%
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%
Ikram ul Haq Mian		Key management personnel		0.0002%

8.1 Ibrahim Holdings (Private) Limited acquired 2,465,700 shares of the Company during the period.

9. 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.

## 10. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on August 18, 2023 by the Board of Directors of the Company.

## 11. GENERAL

11.1 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.

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

## ڈائریکٹرز کا جائزہ

آپ کے ادارے کے ڈائریکٹرز انتہائی مسرت کے ساتھ ادارے کی 30 جون 2023 کو اختتام پذیر ہونے والی دوسری سدہ ماہی اور ششماہی کے غیر صدقہ (unaudited) مالیاتی نتائج آپ کے سامنے پیش کرتے ہیں۔

### کاروباری کارکردگی

زیر نظر ششماہی میں آپ کے ادارے کے پولیسٹر سٹپیل فائبر کے کارخانے نے 134,470 ٹن پولیسٹر سٹپیل فائبر بنایا جبکہ پچھلے سال کی متعلقہ ششماہی میں 183,849 ٹن پولیسٹر سٹپیل فائبر بنایا تھا۔ اس پیداوار میں سے 16,447 ٹن پولیسٹر سٹپیل فائبر مختلف اقسام کا آمیزشی دھاگہ بنانے کے لئے آپ کے ادارے کے اپنے کارخانوں میں صرف ہوا جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ کھپت 17,604 ٹن رہی تھی۔

آپ کے ادارے کے دھاگے کے کارخانوں نے اس ششماہی میں 26,400 ٹن مختلف اقسام کا آمیزشی دھاگہ بنایا جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ پیداوار 27,784 ٹن رہی تھی۔

### مالیاتی کارکردگی

زیر نظر ششماہی میں آپ کے ادارے کی خالص فروخت 60,112 ملین روپے رہی جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ فروخت 64,121 ملین روپے رہی تھی۔

آپ کے ادارے نے زیر نظر دورانہ میں 6,696 ملین روپے کا خام منافع کمایا جبکہ پچھلے سال کی متعلقہ دورانہ میں 12,099 ملین روپے کا خام نفع ہوا تھا۔

آپ کے ادارے کو زیر نظر دورانہ میں 4,368 ملین روپے قبل از ٹیکس اور 1,761 ملین روپے بعد از ٹیکس نفع ہوا۔ اس کے برعکس پچھلے سال کی متعلقہ دورانہ میں 10,266 ملین روپے اور 5,803 ملین روپے بالترتیب قبل از ٹیکس اور بعد از ٹیکس نفع ہوا تھا۔

### مستقبل پر نقطہ نظر

زیر نظر ششماہی میں بالخصوص بلند شرح افراط زر، زرمبادلہ کے بتدریج کم ہوتے ذخائر اور پاکستانی روپے کی قدر میں نمایاں کمی کی وجہ سے پیدا ہونے والی موجودہ غیر یقینی معاشی صورتحال سے منطفے کے لئے پالیسی سازوں کی جانب سے انتہائی سخت اقدامات کئے گئے جس کے نتیجے میں ملکی معیشت میں کافی سست روی دیکھنے میں آئی۔ بین الاقوامی قرض دہندگان کی جانب سے اپنے قرضہ جات کے پروگراموں کو بحال کرنے کے لئے انتہائی سخت شرائط کا اطلاق اور غیر یقینی سیاسی حالات اس صورتحال کو مزید بگاڑنے کا باعث بنے۔

بلند شرح سود، توانائی کے نرخوں میں اضافہ اور ملکی کرنسی کی قدر میں کمی کی وجہ سے ملکی معیشت میں موجودہ مندی کا رجحان مستقبل میں بھی جاری رہنے کی توقع ہے جسکی وجہ سے پوری صنعت کے کاروباری حجم اور منافع پر منفی اثر پڑے گا۔ مزید برآں، آنے والے دنوں میں خام تیل کی قیمتوں میں غیر مستحکم رجحانات رہنے کی توقع ہے جو موجودہ غیر یقینی معاشی صورتحال میں مزید مشکلات کا باعث بنیں گے۔

اس بدلتے ہوئے تناظر میں آپ کے ادارے کی انتظامیہ مالیاتی نظم و نسق اور منوژ کاروباری حکمت عملی کو بروئے کار لاتے ہوئے منڈی میں اپنے حصے اور نفع کو مزید بہتر بنانے کے لئے اختلاف محنت جاری رکھے ہوئے ہے۔

### فی حصہ آمدنی

30 جون 2023 کو اختتام پذیر ہونے والی ششماہی میں آپ کے ادارے کو 5.67 روپے فی حصہ نفع ہوا جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ نفع 18.69 روپے فی حصہ رہا تھا۔

منجانب اراکین





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

VANTAGE