



BILAL

FIBERS LIMITED

**QUARTERLY
REPORT**

DECEMBER 31, 2023

(UN-AUDITED)



COMPANY INFORMATION

Chief Executive Chairman	Mr. Naeem Omer Mr. Muhammad Omer
Directors	Mr. Naeem Omer Mr. Anwaar Abbass Mr. Muhammad Asghar Mr. Muhammad Aslam Bhatti Mr. Muhammad Kashif Mr. Muhammad Omer Mr. Shahid Iqbal
Audit Committee	
Chairman	Mr. Muhammad Aslam Bhatti
Member	Mr. Anwaar Abbass
Member	Mr. Muhammad Omer
Human Resource & Remuneration Committee	
Chairman	Mr. Muhammad Kashif
Member	Mr. Muhammad Asghar
Member	Mr. Shahid Iqbal
Company Secretary	Mr. Ijaz Shahid
Auditors	M/S Mushtaq & Co. Chartered Accountants 19-B, Block G, Gulberg-III Lahore.
Bankers	The Bank of Punjab MCB (NIB) Bank Limited Silk Bank Limited
Share Registrar	M/S Corplink (Pvt) Ltd Wings Arcade, i-K, Commercial Model Town, Lahore
Legal Advisor	Aakif Majeed But 9-G, Mustaq Gurmani Road, Gulberg II, Lahore
Registered Office	Plaza No. 47,48-B, Gate No.1, B Block Elite Town, 29 Km Main Ferozepur Road Lahore Ph: 0300-8659501 Email: fm@bilalfibres.com Web site: www.bilalfibres.com
Mills	38 th KM, Sheikhpura Road, Tehsil Jaranwala, District Faisalabad



DIRECTORS' REPORT

The Directors of your Company are presenting before you the un-audited Accounts reviewed by the external auditors of the Company for the half year ended 31st December 2023.

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.9.510 million for the period ended December 31, 2023 as compared to last half year comparative period loss of Rs. 9.303 million.

FINANCIAL AND OPERATING PERFORMANCE

The financial results are summarized hereunder:

Particulars	31st December 2023 Rupees	31st December 2022 Rupees
Administrative expenses	(11,009,913)	(12,302,626)
Other Income	1,500,000	3,000,000
Finance Cost	(841)	(812)
Net Loss before tax	(9,510,754)	(9,303,438)
Net Loss after tax	(9,510,754)	(9,303,438)
Loss per share (Rs.)	(0.67)	(0.66)

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 pertaining 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

Chief Executive
Lahore
February 28, 2024

Director

ڈائریکٹرز کی رپورٹ



آپ کی کمپنی کے ڈائریکٹرز آپ کے سامنے 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لیے کمپنی کے بیرونی آڈیٹرز کے ذریعے نظرثانی شدہ غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔
یہ اکاؤنٹس IAS-34 کی تعمیل میں تیار کیے گئے ہیں اور کمپنیز ایکٹ، 2017 کے سیکشن 237 کے تحت ضرورت کے مطابق جمع کیے گئے ہیں۔
کمپنی کو 31 دسمبر 2023 کو ختم ہونے والی مدت کے لیے 9.510 ملین روپے کا نقصان ہوا ہے جبکہ گزشتہ ششماہی کے تقابلی مدت کے دوران 9.303 ملین کا نقصان ہوا۔

مالیاتی اور آپریٹنگ پرفارمنس

مالیاتی نتائج کا خلاصہ ذیل میں دیا گیا ہے:

31 دسمبر 2022	31 دسمبر 2023	تفصیلات
روپے	روپے	
(12,302,626)	(11,009,913)	انتظامی اخراجات
3,000,000	1,500,000	دوسری آمدنی
(812)	(841)	مالیاتی لاگت
(9,303,438)	(9,510,754)	ٹیکس سے پہلے خالص نقصان
(9,303,438)	(9,510,754)	ٹیکس کے بعد خالص نقصان
(0.66)	(0.67)	فی حصص نقصان (روپے)

آپریٹنگ پرفارمنس

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

مستقبل کے امکانات

کمپنی کی انتظامیہ ان قانونی چارہ جوئی کے معاملات سے خوش اسلوبی سے نکلنے کے لیے بینکنگ کمپنیوں کے ساتھ مل کر کام کر رہی ہے۔ انتظامیہ موجودہ بحران سے نمٹنے کے لیے ممکنہ سرمایہ کاری / جوائنٹ وینچر کے لیے مختلف آپشنز بھی تلاش کر رہی ہے۔ ہم بہت پر امید ہیں کہ ہماری کوششیں مستقبل قریب میں کامیاب ہوں گی اور کمپنی اپنا کام دوبارہ شروع کرنے کی پوزیشن میں ہو گی اور صحت مند منافع کے ساتھ اپنے نقصانات کو کم کرنے اور اپنی تمام ذمہ داریوں کو پورا کرنے کے قابل ہو گی۔ آپ کی کمپنی کی انتظامیہ تمام اسٹیک ہولڈرز کے فائدے کے لیے بہترین ممکنہ حل کے لیے مسلسل کوششیں کر رہی ہے۔ ہم اپنے تمام شیئر ہولڈرز کی مسلسل حمایت اور تعاون کا شکریہ ادا کرنا چاہیں گے۔

آڈیٹرز کی جائزہ رپورٹ میں اہلیت کی حیثیت

آڈیٹرز کی جائزہ رپورٹ میں، بڑی قابلیت بینکنگ کمپنیوں کے ساتھ قانونی چارہ جوئی کے معاملات سے متعلق ہے۔ کمپنی کی انتظامیہ ان قانونی چارہ جوئی کے معاملات سے خوش اسلوبی سے نکلنے کے لیے بینکنگ کمپنیوں کے ساتھ مل کر کام کر رہی ہے۔

اعتراف

اس طرح، ہم اپنے صارفین، فراہم کنندگان اور بینکرز کی طرف سے مسلسل تعاون اور تعاون کی کوششوں کی تعریف کرتے ہیں۔ ایسے اہم وقت کے دوران ہمارے ملازمین کی جانب سے پیش کی گئی انمول خدمات کو بھی شکرگزار تسلیم کیا جاتا ہے۔

بورڈ کے آرڈر کے ذریعے اور اس کی جانب سے

JK

M. S. P.

ڈائریکٹر

چیف ایگزیکٹو

لاہور

28 فروری 2024



CHAIRMAN'S REVIEW

On behalf of the Board of Directors, I am presenting to you the Half Yearly Un-Audited Financial Statements of your Company for the period ended December 31, 2023 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.

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

Lahore
February 28, 2024

Muhammad Omer
Chairman



چیئرمین کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، میں آپ کو 31 دسمبر 2023 کو ختم ہونے والی مدت کے لیے آپ کی کمپنی کے ششماہی غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ آپ کی کمپنی کی کارکردگی پر اپنے جائزے کے ساتھ پیش کر رہا ہوں۔

کمپنی کی کارکردگی:

انتظامیہ بینکنگ کمپنیوں کے ساتھ قانونی چارہ جوئی کے معاملات کے حل کے لیے بہت محنت کر رہی ہے اور معاملات کے مثبت طریقے سے تصفیہ کے لیے بہت پر امید ہے۔

مستقبل کے امکانات:

کمپنی کا مستقبل بنیادی طور پر پاکستان میں ٹیکسٹائل سیکٹر کے مستقبل پر منحصر ہے۔ دریں اثنا، ہم بیک وقت دیگر بہترین ممکنہ اور قابل عمل کاروباری آپشنز بھی تلاش کر رہے ہیں۔

اعتراف:

میں اس موقع کو اپنی طرف سے اور آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے اپنے ملازمین کی مخلصانہ اور مخلصانہ خدمات کا اعتراف اور شکریہ ادا کرتا ہوں۔ جبکہ میں اپنے بینکرز، شیئر ہولڈرز اور حکومتی تنظیموں کا بھی ان کی حمایت اور معمول کے تعاون کے لیے شکر گزار ہوں۔

محمد عمر

محمد عمر

چیئرمین

لاہور

28 فروری 2024

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, 2023 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, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

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

- a) 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 30,2023: Rs. 57.873 million) and Rs. 327.976 million (June 30,2023: Rs. 336.690) 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.
- b) 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.
- c) The Company has the policy to value Investment property at fair value in accordance with the requirements of IAS-40 "Investment Property". At the reporting date the company has not determined the fair value of Investment property. Therefore, we are unable to determine whether any adjustments were necessary in this regard.
- d) 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.
- e) Management has not provided to us the data and records for verification of other receivables having reported carrying value of Rs. 9.903 million. We remain unable to verify these balances by applying other alternative procedures as the

information was not provided to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

- f) We have not received the reply of Bank confirmations of cash at bank amounting to Rs. 0.419 million as on reporting date.
- g) 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.
- h) 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, 2023) 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.
- i) We did not receive reply of Legal and Tax Advisors. Therefore, we were unable to determine the impact of expected outcome of outstanding litigations as mentioned in note 6 and any tax assessments as on the reporting date. Furthermore, we cannot ascertain the effect and outcome of any undisclosed litigation as on reporting date.
- j) The Company has not complied with the requirements of Section 244 of the Companies Act, 2017.
- k) At the balance sheet date, the Company's accumulated losses stand at Rupees 529.420 million (June 30, 2023: Rs. 521.559 million) and its current liabilities exceed its current assets by Rupees 926.209 million (June 30, 2023: Rs. 926.613 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 'k' 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 (k) 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 (k) 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 **Nouman Arshad, ACA**.

MUSHTAQ & CO.
Chartered Accountants

Lahore.
Dated: 28-02-2024

UDIN:PR202310724sjCrvz95q

BILAL FIBRES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023



		Un-Audited December 31, 2023	Audited June 30, 2023
	Note	Rupees	
NON-CURRENT ASSETS			
Property, plant and equipment	4	327,976,871	336,690,005
Right of use assets	5	45,621,204	46,822,573
Investment property		572,997,757	572,997,757
Long term deposits		1,156,180	1,156,180
		947,752,012	957,666,515
CURRENT ASSETS			
Stock in trade		57,872,747	57,872,747
Trade deposits and short term prepayments		2,925,765	2,925,765
Other receivables		18,502,975	17,002,975
Sales tax refundable		818,786	818,786
Tax Refunds Due From Government		3,515,444	3,515,444
Cash and bank balances		439,689	440,530
		84,075,406	82,576,247
		1,031,827,418	1,040,242,762
SHARE CAPITAL AND RESERVES			
Authorised share capital			
15,000,000 (June 30, 2023: 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, 2023: 14,100,000) Ordinary shares of Rs. 10 each		141,000,000	141,000,000
Accumulated loss		(529,420,046)	(521,558,728)
Surplus on revaluation of property, plant and equipment		402,402,000	404,051,436
		13,981,954	23,492,708
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		45,443,036	45,443,036
Unclaimed dividend		235,776	235,776
Accrued Interest/Mark up payable		97,520,035	97,520,035
Loan from directors and associates		129,268,361	128,172,951
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
		1,010,284,454	1,009,189,044
Contingencies and commitments	6	-	-
		1,031,827,418	1,040,242,762

The annexed notes form part of these financial statements.

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CHIEF EXECUTIVE

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CHIEF FINANCIAL OFFICER

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DIRECTOR

BILAL FIBRES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-Audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023



	Note	Half Year Ended		Quarter Ended	
		Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
		(Rupees)		(Rupees)	
Sales		-	-	-	-
Cost of sales		-	-	-	-
Gross loss		-	-	-	-
Distribution cost		-	-	-	-
Administrative expenses		(11,009,913)	(12,302,626)	(5,134,595)	(6,281,313)
Other operating income		1,500,000	3,000,000	-	1,500,000
Finance cost		(841)	(812)	-	(58)
		(9,510,754)	(9,303,438)	(5,134,595)	(4,781,371)
Loss before taxation		(9,510,754)	(9,303,438)	(5,134,595)	(4,781,371)
Provision for taxation		-	-	-	-
Loss for the period		(9,510,754)	(9,303,438)	(5,134,595)	(4,781,371)
Loss per share - basic and diluted		(0.67)	(0.66)	(0.36)	(0.34)

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, 2023

	Half Year Ended		Quarter Ended	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
	(Rupees)		(Rupees)	
Loss after taxation	(9,510,754)	(9,303,438)	(5,134,595)	(4,781,371)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	(9,510,754)	(9,303,438)	(5,134,595)	(4,781,371)

The annexed notes form part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

BILAL FIBRES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023



	Share capital	Revenue Reserve	Capital Reserve	Total
		Accumulated loss	Surplus on revaluation of fixed assets	
----- (Rupees) -----				
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	(509,158,046)	405,813,786	37,655,740
Balance as on 01 July 2023	141,000,000	(521,558,728)	404,051,436	23,492,708
Net Profit/(loss) for the year	-	(9,510,754)	-	(9,510,754)
Transfer from surplus on revaluation on account of incremental depreciation - net of tax	-	1,649,436	(1,649,436)	-
Other comprehensive income for the period	-	-	-	-
Balance as on December 31, 2023	141,000,000	(529,420,046)	402,402,001	13,981,954

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, 2023



Note	December 31, 2023	December 31, 2022
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(9,510,754)	(9,303,438)
Adjustment for non-cash and other related items:		
Depreciation on operating fixed assets	8,713,134	8,940,453
Depreciation on right of use assets	1,201,369	1,232,173
Notional income /expense on interest free loans	-	-
Finance cost	841	812
Cash flow generated/(used in) from operating activities before working capital changes	404,590	870,000
Effect on cash flow due to working capital changes :		
(Increase) / decrease in current assets:		
Loan and advances	-	(7,000)
Other receivables	(1,500,000)	(2,060,000)
Increase in trade and other payables	-	1,309,000
Net cash used in working capital	(1,500,000)	(758,000)
Cash generated from / (used in) operating activities	(1,095,410)	112,000
Finance cost	(841)	(812)
Net cash generated from operating activities	(1,096,251)	111,188
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in short term borrowings - net	-	-
Increase/(decrease) in financing from directors and associates	1,095,410	(50,000)
Net cash (used in) financing activities	1,095,410	(50,000)
Net (decrease)/increase in cash and cash equivalents	(841)	61,188
Cash and cash equivalents at the beginning of the period	440,530	445,250
Cash and cash equivalents at the end of the period	439,689	506,438

The annexed notes form part of these financial statements.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** The company is limited by shares, incorporated in Pakistan on April 13, 1987 under the Companies Ordinance, 1984 (Repealed with the enactment of the companies Act, 2017) and the shares of the company are listed on Pakistan Stock Exchange Limited. The principal business of the company is manufacture and sale of yarn. The geographical location and address of the company's business units including plant as follows.

Business Unit	Geographical location and address
Registered office	109-A, Street No.3, Cavalry Ground, Lahore Cantt, Lahore
Manufacturing Plant	38.KM, Sheikhpura Road, Tehsil Jarranwala, District, Faisalabad

1.2 Significant transactions and events affecting the Company's financial position and performance

The Company had closed its operation since June 16, 2016 and reported accumulated losses of Rupees 529.420 million (June 30, 2023: Rupees 521.559 million). The current liabilities exceeded its current assets by Rupees 926.209 million (June 30, 2023: Rupees 926.613 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, 2023.

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, 2023. 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, 2023. 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, 2023.

2.5 Functional currency

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

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2023 except as disclosed otherwise.

BILAL FIBRES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023



	Note	Unaudited	Audited
		December 31, 2023	June 30, 2023
		Rupees	
4 PROPERTY, PLANT AND EQUIPMENT			
Operating assets	4.1	327,976,871	336,690,005
		327,976,871	336,690,005
4.1 Operating assets			
Opening Book Value		336,690,005	354,570,907
Depreciation charged during the period / year		(8,713,134)	(17,880,903)
		327,976,871	336,690,005
5 RIGHT OF USE ASSETS			
Opening Balance		46,822,573	49,286,919
Depreciation charged during the period / year		(1,201,369)	(2,464,346)
		45,621,204	46,822,573

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies and commitments are same as at June 30, 2023.

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, 2023	December 31, 2022
Director	Repayment of loan	-	50,000
Director	Loan received	1,095,410	-

8 GENERAL

8.1 There are no other significant activities since June 30, 2023 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 28th February, 2024.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR