

First Quarterly Report

for the period ended March 31, 2024



Ibrahim Fibres Limited



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Directors' Review - Urdu

COMPANY INFORMATION

BOARD OF DIRECTORS

Sheikh Mukhtar Ahmad
Chairman

Mohammad Naeem Mukhtar
Chief Executive Officer

Muhammad Waseem Mukhtar

Sarah Naeem

Abdul Hameed Bhutta

Saba Muhammd

Iftikhar Yasin

CHIEF FINANCIAL OFFICER

Mohammad Naeem Asghar

COMPANY SECRETARY

Farhan Siddique

AUDITORS

Yousuf Adil
Chartered Accountants

HUMAN RESOURCE & REMUNERATION COMMITTEE

Saba Muhammd
Chairperson

Abdul Hameed Bhutta
Member / Secretary

Iftikhar Yasin
Member

AUDIT COMMITTEE

Iftikhar Yasin
Chairman

Abdul Hameed Bhutta
Member

Saba Muhammd
Member

Muhammad Iqbal Chaudhry
Secretary

NOMINATION COMMITTEE

Sheikh Mukhtar Ahmad
Chairman

Mohammad Naeem Mukhtar
Member

Muhammad Waseem Mukhtar
Member



RISK MANAGEMENT COMMITTEE

Iftikhar Yasin
Chairman

Sarah Naeem
Member

Mohammad Naeem Asghar
Member

BANKERS

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

REGISTRAR'S & SHARES REGISTRATION OFFICE

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

REGISTERED OFFICE

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

HEAD OFFICE

Ibrahim Centre
15 - Club Road
Faisalabad - 38000, Pakistan

PROJECTS LOCATION

38 - 40 Kilometers
Faisalabad - Shekhupura Road
Faisalabad, Pakistan



DIRECTORS' REVIEW

The Directors of your Company are pleased to present before you the unaudited financial results of the Company for the first quarter ended March 31, 2024.

OPERATING PERFORMANCE

During the quarter under review, polyester plant of your Company produced 66,808 tons of Polyester Staple Fibre (PSF) as compared to production of 62,719 tons of PSF during the corresponding period of previous year. Out of this production, 8,512 tons of PSF were consumed by the textile plants of your Company for production of blended yarns as against 7,932 tons consumed during the corresponding quarter of previous year.

The textile plants of your Company produced 14,155 tons of blended yarns of different counts during the quarter under review as compared to production of 12,963 tons during the corresponding period of previous year.

FINANCIAL PERFORMANCE

The net sales during quarter under review amounted to Rs. 33,772 million as compared to Rs. 29,716 million during corresponding period of previous year.

Your Company earned gross profit of Rs. 2,201 million for the quarter under review as compared to Rs. 3,414 million during corresponding period of previous year.

During the quarter under review, your Company earned profit before tax of Rs. 790 million as compared to Rs. 2,304 million during corresponding period of previous year. Profit after tax amounted to Rs. 362 million for the quarter under review as compared to Rs. 1,887 million for the corresponding period of previous year.

INDUSTRY OVERVIEW & FUTURE OUTLOOK

During the quarter under review, domestic economy started to depict early signs of recovery primarily driven by minor correction in otherwise very sticky inflation as well as stable currency exchange rate. So far as PSF imports are concerned, it reached the highest level during the current quarter under review owing to unprecedented incentives given to importers by Government of Pakistan. On the international front, regional armed conflicts still pose very significant risk to the global trade.

Accordingly, crude oil market is expected to remain turbulent in the foreseeable future. As far as domestic economy is concerned, vulnerability is expected to remain prevalent largely due to long-awaited structural reforms in energy sector as well as terms of upcoming major international borrowing cycle. Despite these factors, moderate recovery is expected in domestic economy leading to slightly better turnovers and margins across domestic textile industry.

In this scenario, the management of your Company is striving hard to achieve better sales volume through effective marketing strategies and better results through efficient inventory and financial management.

EARNINGS PER SHARE

Earnings per share for the quarter ended March 31, 2024 has come to Rs. 1.17 as compared to Rs. 6.08 for the corresponding period of previous year.

Lahore
April 23, 2024


Chief Executive Officer

On behalf of the Board


Director

IBRAHIM FIBRES LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	Note	Unaudited March 31, 2024 Rupees	Audited December 31, 2023 Rupees
NON - CURRENT ASSETS			
Property, plant and equipment	3	38,673,202,742	39,404,007,785
Intangible assets		149,281,471	148,717,585
Long term loans		114,836,378	119,195,501
Long term deposits		11,803,511	11,803,511
		38,949,124,102	39,683,724,382
CURRENT ASSETS			
Stores, spare parts and loose tools		8,766,402,398	8,678,620,909
Stock in trade		21,223,871,308	24,813,367,015
Trade debts		2,805,849,045	2,795,438,901
Loans and advances		6,069,912,323	3,709,155,720
Prepayments		150,285,591	97,673,978
Other receivables		173,324,180	212,779,749
Refunds due from Government		8,356,425,836	8,856,572,669
Cash and bank balances		124,022,381	150,231,832
		47,670,093,062	49,313,840,773
CURRENT LIABILITIES			
Trade and other payables		7,451,008,232	5,343,354,124
Mark up / interest payable		572,011,579	916,077,790
Short term bank borrowings		5,193,908,483	10,071,447,718
Current portion of non - current liabilities		556,778,252	523,832,516
Unclaimed dividend		28,883,316	28,883,316
Provision for taxation - income tax		5,356,189,496	4,828,261,461
		19,158,779,358	21,711,856,925
Working capital		28,511,313,704	27,601,983,848
Total capital employed		67,460,437,806	67,285,708,230
NON - CURRENT LIABILITIES			
Long term financing		4,158,195,985	4,263,433,116
Deferred liabilities	4	8,289,986,619	8,372,478,515
		12,448,182,604	12,635,911,631
CONTINGENCIES AND COMMITMENTS			
Net worth	5	55,012,255,202	54,649,796,599
Represented by:			
SHARE CAPITAL AND RESERVES			
Share capital		3,105,069,950	3,105,069,950
Capital reserves		1,072,017,550	1,072,017,550
Revenue reserves		50,835,167,702	50,472,709,099
		55,012,255,202	54,649,796,599

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


Chief Executive Officer


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

	Note	Quarter ended March 31, 2024 Rupees	2023 Rupees
Sales - net		33,772,237,984	29,715,756,333
Cost of goods sold	6	(31,571,326,771)	(26,301,812,514)
Gross profit		2,200,911,213	3,413,943,819
Selling and distribution expenses		(201,845,586)	(169,166,794)
Administrative expenses		(555,894,453)	(534,264,978)
Other operating expenses		(70,818,205)	(179,771,403)
Finance cost		(592,353,206)	(243,371,459)
		(1,420,911,450)	(1,126,574,634)
Other income		779,999,763	2,287,369,185
		10,380,499	16,533,162
Profit before taxation		790,380,262	2,303,902,347
Provision for taxation		(427,921,659)	(417,248,991)
Profit for the period		362,458,603	1,886,653,356
Earnings per share - Basic and Diluted		1.17	6.08

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


Chief Executive Officer


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

	Quarter ended March 31,	
	2024	2023
	Rupees	Rupees
Profit for the period	362,458,603	1,886,653,356
Other comprehensive income for the period	-	-
Total comprehensive income for the period	362,458,603	1,886,653,356

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


Akhbar Naeem
Chief Executive Officer


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

	Note	Quarter ended March 31, 2024 Rupees	2023 Rupees
a) Cash flows from operating activities			
Operating cash flows before working capital changes	7	2,427,808,155	3,559,412,638
Changes in working capital			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(87,781,489)	(244,059,499)
Stock in trade		3,589,495,707	3,081,870,716
Trade debts		(10,410,144)	(158,994,317)
Loans and advances		(2,020,043,341)	(112,966,701)
Prepayments		(52,611,613)	(22,331,394)
Other receivables		39,461,010	137,378,799
Refunds due from Government		500,146,833	1,535,447,651
Increase in current liabilities			
Trade and other payables		2,129,021,272	1,416,369,365
		4,087,278,235	5,632,714,620
Cash generated from operations		6,515,086,390	9,192,127,258
Long term loans - net		3,753,466	7,067,387
Finance cost paid		(936,132,156)	(452,892,840)
Income tax paid - net		(340,107,605)	(546,234,132)
Staff retirement gratuity paid		(44,817,409)	(34,823,131)
Net cash from operating activities		5,197,782,686	8,165,244,542
b) Cash flows from investing activities			
Additions in:			
Property, plant and equipment		(244,506,116)	(708,160,689)
Intangible assets		(11,112,221)	(4,870,516)
Proceeds from disposal of property, plant and equipment		8,273,344	4,803,390
Long term deposits		-	(1,146,278)
Profit on investment at amortised cost		-	1,290,000
Profit on deposits		1,257,249	1,142,735
Redemption of short term investment		-	12,000,000
Net cash used in investing activities		(246,087,744)	(694,941,358)
c) Cash flows from financing activities			
Long term financing obtained		-	581,692,060
Repayment of long term financing		(100,365,158)	(92,823,538)
Dividend paid		-	(58,439)
Net cash (used in) / from financing activities		(100,365,158)	488,810,083
Net increase in cash and cash equivalents (a+b+c)		4,851,329,784	7,959,113,267
Cash and cash equivalents at the beginning of the period		(9,921,215,886)	(9,784,057,153)
Cash and cash equivalents at the end of the period	8	(5,069,886,102)	(1,824,943,886)

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


Chief Executive Officer


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

	Share Capital	Capital Reserves		Revenue Reserves		Total
		Share premium	Merger reserve	General reserve	Unappropriated profit	
Rupees						
Balance as at January 01, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	46,183,672,956	54,450,433,555
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,886,653,356	1,886,653,356
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,886,653,356	1,886,653,356
Balance as at March 31, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	48,070,326,312	56,337,086,911
Total comprehensive income for the period						
Loss for the period	-	-	-	-	(1,583,150,010)	(1,583,150,010)
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of staff retirement gratuity	-	-	-	-	(206,087,020)	(206,087,020)
Deferred tax	-	-	-	-	101,946,718	101,946,718
	-	-	-	-	(104,140,302)	(104,140,302)
	-	-	-	-	(1,687,290,312)	(1,687,290,312)
Balance as at December 31, 2023	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	46,383,036,000	54,649,796,599
Total comprehensive income for the period						
Profit for the period	-	-	-	-	362,458,603	362,458,603
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	362,458,603	362,458,603
Balance as at March 31, 2024	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	46,745,494,603	55,012,255,202

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


Chief Executive Officer


Director


Chief Financial Officer

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

1. STATUS AND ACTIVITIES

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

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

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

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

2.2 Application of new and revised International Financial Reporting Standards

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

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

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

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

2.3 Basis of preparation

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

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

2.4 Accounting policies and methods of computation

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

2.5 Financial risk management

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

	Unaudited March 31, 2024 Rupees	Audited December 31, 2023 Rupees
3. PROPERTY, PLANT AND EQUIPMENT		
Operating assets	38,299,216,041	39,025,435,323
Capital work in progress	373,986,701	378,572,462
	38,673,202,742	39,404,007,785

	Quarter ended March 31, 2024		Quarter ended March 31, 2023	
	Acquisitions / Transfers Rupees	Disposals / Transfers Rupees	Acquisitions / Transfers Rupees	Disposals / Transfers Rupees
3.1 Acquisitions and disposals including transfers - at cost				
Operating assets				
Freehold land	19,183,720	–	18,191,200	–
Building on freehold land	102,895,723	–	–	–
Plant and machinery	18,098,101	–	97,354,463	600,000
Furniture and fixture	42,344,858	3,092,023	10,547,781	–
Office equipment	36,238,116	7,688,304	35,319,791	5,208,994
Vehicles	12,928,790	19,767,866	3,874,305	9,304,871
Capital work in progress				
Building on freehold land	61,295,879	102,895,723	99,700,709	–
Plant and machinery	1,158,594	8,369,627	513,173,732	–
Others	86,218,339	41,993,223	67,561,216	126,039,093
	380,362,120	183,806,766	845,723,197	141,152,958

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

	Unaudited March 31, 2024 Rupees	Audited December 31, 2023 Rupees
4. DEFERRED LIABILITIES		
Deferred taxation	6,216,976,736	6,316,983,112
Staff retirement gratuity	1,660,150,100	1,614,561,857
Deferred government grant	412,859,783	440,933,546
	8,289,986,619	8,372,478,515

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

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

- (i) Bank guarantees issued in favour of Sui Northern Gas Pipelines Limited against supply of gas as mentioned in Note 20.1.1 (i) to the above referred financial statements have been increased to Rs. 944.237 million.
- (ii) The Additional Commissioner Inland Revenue (ACIR) passed an order under section 122 and thereby creating demand for the tax year 2011 as mentioned in note 20.1.9 to the above referred financial statements. The Company contended the case before Commissioner Inland Revenue (Appeals) (CIR-A) who decided the case in favour of the Company. The department approached the Appellate Tribunal Inland Revenue (ATIR) on September 06, 2017 against the order of CIR-A. During the period, ATIR passed an order dated January 31, 2024 and decided the case in favour of the Company.
- (iii) The Deputy Commissioner Inland Revenue (DCIR) passed an order and disallowed input tax based on various reasons as mentioned in note 20.1.11 to the above referred financial statements. The Company filed an appeal dated March 26, 2018 before CIR-A. CIR-A passed order dated February 08, 2022 and remanded back the matter to assessing officer. The statutory proceeding were initiated by DCIR who issued order dated June 21, 2023 and decided the case partially against the Company by creating demand of Rs. 248.536 million. The Company filed appeal before CIR-A dated July 31, 2023. During the period, CIR-A passed an order dated February 28, 2024 and decided the case partially in favour of the Company by reducing demand to Rs. 37.569 million.
- (iv) DCIR passed an order disallowing input sales tax dated November 19, 2020 in post refund audit from July 2016 to June 2017 as mentioned in note 20.1.19 to the above referred financial statements. The Company filed an appeal dated December 31, 2020 before CIR-A. CIR-A passed an order dated March 30, 2022 and remanded back the matter to assessing officer. The statutory proceedings were initiated by DCIR who issued order dated June 23, 2023 and decided the case partially against the Company by creating demand of Rs. 109.423 million. The Company filed appeal before CIR-A dated August 01, 2023. During the period, CIR-A passed an order dated February 28, 2024 and decided the case partially in favour of the Company by reducing demand to Rs. 10.305 million.
- (v) DCIR passed an order disallowing input sales tax under section 8 of the Sales Tax Act, 1990 dated May 28, 2021 for the period July 2019 to June 2020 as mentioned in note 20.1.20 to the above referred financial statements. The Company filed an appeal against the order before CIR-A dated July 28, 2021. CIR-A passed an order dated February 14, 2022 and decided the case against the Company. The Company filed an appeal dated March 30, 2022 before ATIR against the order of CIR-A. ATIR passed an order dated May 31, 2022 and remanded back the matter to assessing officer. During the period, DCIR passed order dated March 05, 2024 and decided the case in favour of the Company.

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

- (vi) DCIR passed an order dated August 31, 2023 for tax year 2017 as mentioned in note 20.1.25 to the above referred financial statements and created demand along with default surcharge on account of failure to deduct tax on certain payments. The Company filed appeal before CIR-A dated September 28, 2023. During the period, CIR-A passed an order dated February 29, 2024 and decided the case in favour of the Company.
- (vii) During the period, ACIR passed an order dated March 14, 2024 and created demand of Rs. 132.036 million for disallowing some of the expenses and advance tax claimed for the tax year 2021.

	Unaudited March 31, 2024 Rupees in million	Audited December 31, 2023 Rupees in million
5.2 Commitments		
5.2.1 Under contracts for capital expenditure:		
Land and Building	297.500	325.867
Plant and machinery	–	0.105
5.2.2 Under letters of credit for:		
Plant and machinery	9.112	84.854
Raw materials, stores and spare parts	2,660.781	3,851.500

	Quarter ended March 31, 2024 Rupees	Quarter ended March 31, 2023 Rupees
6. COST OF GOODS SOLD		
Raw materials consumed	22,978,512,743	19,072,368,743
Packing materials	286,291,780	224,055,175
Salaries, wages and benefits	716,053,764	563,676,890
Staff retirement benefits	55,737,123	43,848,057
Stores and spare parts	911,407,003	419,684,485
Fuel and power	3,378,044,888	2,484,746,214
Insurance	49,316,328	37,391,988
Depreciation of property, plant and equipment	857,480,540	845,183,251
Amortisation of intangible assets	3,122,379	2,791,146
Other	344,384,960	224,615,575
	29,580,351,508	23,918,361,524
Work in process		
Opening stock	1,172,092,521	1,121,215,177
Closing stock	(1,178,089,384)	(1,118,940,069)
	(5,996,863)	2,275,108
Cost of goods manufactured	29,574,354,645	23,920,636,632
Finished goods		
Opening stock	7,265,008,932	8,402,757,553
Closing stock	(5,268,036,806)	(6,021,581,671)
	1,996,972,126	2,381,175,882
	31,571,326,771	26,301,812,514

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

	Quarter ended March 31,	
	2024	2023
	Rupees	Rupees
7. OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES		
Profit before taxation	790,380,262	2,303,902,347
Adjustments for:		
Depreciation / amortisation of property, plant and equipment	944,367,779	931,089,946
Amortisation of intangible assets	10,548,335	10,058,683
Provision for staff retirement gratuity	86,153,796	69,076,305
Loss on disposal of property, plant and equipment	5,267,467	3,085,955
Profit on investment at amortised cost	–	(31,808)
Profit on deposits	(1,262,690)	(1,140,249)
Finance cost	592,353,206	243,371,459
	2,427,808,155	3,559,412,638
8. CASH AND CASH EQUIVALENTS		
Cash and bank balances	124,022,381	140,182,550
Short term bank borrowings	(5,193,908,483)	(1,965,126,436)
	(5,069,886,102)	(1,824,943,886)

9. AGGREGATE TRANSACTIONS WITH RELATED PARTIES

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

	Quarter ended March 31,	
	2024	2023
Relationship and nature of transaction	Rupees	Rupees
Associated undertakings		
Rent charged	2,932,659	2,897,871
Short term bank borrowings payable	1,279,625,388	850,323,091
Mark up / interest charged on short term bank borrowings	186,136,998	14,983,011
Mark up / interest payable on short term bank borrowings	186,136,998	14,983,011
Profit on deposits	17,695	–
Bank charges and commission	1,189,707	2,230,715
Rental income	3,000	3,000
LC exposure	537,185,874	4,796,190,571
Sales	31,138,137	142,715,255
Purchases	8,033,480,959	–
Advances	1,899,346,458	–
Trade debts	–	37,584,254
Bank balance	15,386,978	–

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

Relationship and nature of transaction	Quarter ended March 31,	
	2024 Rupees	2023 Rupees
Key management personnel		
Remuneration	33,300,000	25,300,000
Reimbursable expenses	1,271,886	1,949,299
Reconciliation of bank account - current including running finance maintained with associated company:		
Opening Balance	29,086,464	(983,662,531)
Transfers in during the period	20,373,193,478	11,080,664,471
Transfers out during the period	(21,666,518,352)	(10,947,325,031)
Closing Balance	(1,264,238,410)	(850,323,091)

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

Name	Country of Incorporation	Basis of relationship	Note	Aggregate % of shareholding
Ibrahim Holdings (Private) Limited	Pakistan	Parent company	9.1	91.6541%
Allied Bank Limited	Pakistan	Common directorship		–
Ibrahim Agencies (Private) Limited	Pakistan	Common directorship		–
Wickford International Pte. Ltd.	Singapore	Common directorship		–
Sheikh Mukhtar Ahmad		Key management personnel		0.0008%
Mohammad Naeem Mukhtar		Key management personnel		0.0008%
Muhammad Waseem Mukhtar		Key management personnel		0.0008%
Sarah Naeem		Key management personnel		0.0002%
Abdul Hameed Bhutta		Key management personnel		0.0003%

9.1 Ibrahim Holdings (Private) Limited acquired 121,000 shares of the Company during the period.

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

10. SEGMENT INFORMATION

	Polyester		Textile spinning		Inter - segment elimination		Total	
	Quarter ended March 31,		Quarter ended March 31,		Quarter ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees							
Sales - net	20,813,430,927	20,717,998,629	12,958,807,057	8,997,757,704	-	-	33,772,237,984	29,715,756,333
Revenue from contracts with customers - net	2,939,511,325	2,245,709,032	-	-	(2,939,511,325)	(2,245,709,032)	-	-
Inter - segment	23,752,942,252	22,963,707,661	12,958,807,057	8,997,757,704	(2,939,511,325)	(2,245,709,032)	33,772,237,984	29,715,756,333
	(21,892,842,538)	(20,024,495,527)	(12,617,995,558)	(8,523,026,019)	2,939,511,325	2,245,709,032	(31,571,326,771)	(26,301,812,514)
Cost of goods sold	1,860,099,714	2,939,212,134	340,811,499	474,731,685	-	-	2,200,911,213	3,413,943,819
Gross profit	(116,126,367)	(105,498,735)	(55,763,558)	(39,452,011)	-	-	(171,889,925)	(144,950,746)
Selling and distribution expenses	-	(439,448)	(115,001,947)	(8,747,234)	-	-	(439,448)	-
Other operating expenses	(2,850,945)	(3,224,951)	(171,204,953)	(48,199,245)	-	-	(117,852,892)	(11,972,185)
Finance cost	(118,977,312)	(108,723,686)	(171,204,953)	(48,199,245)	-	-	(290,182,265)	(156,922,931)
Other income	1,741,122,402	2,830,488,448	169,606,546	426,532,440	-	-	1,910,728,948	3,257,020,888
	7,590,297	7,795,268	1,527,512	6,999,637	-	-	9,117,809	14,794,905
Profit before unallocated income and expenses	1,748,712,699	2,838,283,716	171,134,058	433,532,077	-	-	1,919,946,757	3,271,815,793
Unallocated income and expenses:								
Selling and distribution expenses							(29,955,661)	(24,216,048)
Administrative expenses							(555,884,453)	(534,264,978)
Other operating expenses							(70,378,757)	(179,771,403)
Finance cost							(474,500,314)	(231,399,274)
Other income							1,262,690	1,738,257
Provision for taxation							(427,921,659)	(417,248,991)
Profit for the period							362,458,603	1,886,653,356

	Polyester		Textile spinning		Total	
	Audited		Audited		Audited	
	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023
	Rupees					
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
Total assets for reportable segments	27,898,703,121	25,598,769,135	29,710,014,591	35,790,982,176	57,608,717,712	61,389,751,311
Unallocated assets					29,010,499,452	27,607,813,844
Total assets as per statement of financial position					86,619,217,164	88,997,565,155
Total Liabilities for reportable segment	8,990,548,565	6,818,101,362	6,037,641,307	5,848,576,813	15,028,189,892	12,666,678,175
Unallocated Liabilities					16,578,772,070	21,681,090,381
Total Liabilities as per statement of financial position					31,606,961,962	34,347,768,556

10.1 Reconciliation of reportable segment assets and liabilities:

Total assets for reportable segments	27,898,703,121	25,598,769,135	29,710,014,591	35,790,982,176	57,608,717,712	61,389,751,311
Unallocated assets					29,010,499,452	27,607,813,844
Total assets as per statement of financial position					86,619,217,164	88,997,565,155
Total Liabilities for reportable segment	8,990,548,565	6,818,101,362	6,037,641,307	5,848,576,813	15,028,189,892	12,666,678,175
Unallocated Liabilities					16,578,772,070	21,681,090,381
Total Liabilities as per statement of financial position					31,606,961,962	34,347,768,556

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

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

12. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 23, 2024 by the Board of Directors of the Company.

13. GENERAL

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

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


Akhbar Nadeem
Chief Executive Officer


Director


Chief Financial Officer

ڈائریکٹرز کا جائزہ

آپ کے ادارے کے ڈائریکٹرز انتہائی مسرت کے ساتھ ادارے کی 31 مارچ 2024 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے غیر مصدقہ (unaudited) مالیاتی نتائج آپ کے سامنے پیش کرتے ہیں۔

کاروباری کارکردگی

زیر نظر سہ ماہی میں آپ کے ادارے کے پولیسٹر کے کارخانے نے 66,808 ٹن پولیسٹر سٹپل فائبر بنایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 62,719 ٹن پولیسٹر سٹپل فائبر بنایا تھا۔ اس پیداوار میں سے 8,512 ٹن پولیسٹر سٹپل فائبر آپ کے ادارے کے اپنے دھاگے کے کارخانوں میں مختلف اقسام کا آمیزشی دھاگہ بنانے میں صرف ہوا جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ کھپت 7,932 ٹن رہی تھی۔

آپ کے ادارے کے دھاگے کے کارخانوں نے زیر نظر سہ ماہی میں 14,155 ٹن مختلف اقسام کا آمیزشی دھاگہ بنایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ پیداوار 12,963 ٹن رہی تھی۔

مالیاتی کارکردگی

زیر نظر سہ ماہی میں آپ کے ادارے کی خالص فروخت 33,772 ملین روپے رہی جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ فروخت 29,716 ملین روپے رہی تھی۔

زیر نظر سہ ماہی میں آپ کے ادارے نے 2,201 ملین روپے کا خام نفع کمایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 3,414 ملین روپے کا خام نفع ہوا تھا۔

زیر نظر سہ ماہی میں آپ کے ادارے نے 790 ملین روپے قبل از ٹیکس نفع کمایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 2,304 ملین روپے قبل از ٹیکس نفع کمایا تھا۔ زیر نظر سہ ماہی میں بعد از ٹیکس نفع 362 ملین روپے رہا جبکہ پچھلے سال کے متعلقہ دورانیہ میں یہ نفع 1,887 ملین روپے رہا تھا۔

صنعتی جائزہ اور مستقبل پر نقطہ نظر

زیر نظر سہ ماہی میں بلند شرح افراط زر میں معمولی اصلاح کے ساتھ ساتھ کرنسی کی شرح تبادلہ میں استحکام کی وجہ سے مقامی معیشت میں بہتری کے ابتدائی آثار نمودار ہونا شروع ہو گئے ہیں۔ جہاں تک پولیسٹر سٹپل فائبر کی درآمدات کا تعلق ہے تو زیر نظر سہ ماہی میں حکومت پاکستان کی جانب سے درآمد کنندگان کو دی جانے والی غیر معمولی مراعات کی وجہ سے یہ اپنی اب تک کی انتہائی حد تک پہنچ چکی ہیں۔ بین الاقوامی سطح پر متعدد علاقائی سطح تازعات ابھی بھی عالمی تجارت کے لئے بہت بڑا خطرہ بنے ہوئے ہیں۔

چنانچہ مستقبل میں معدنی تیل کی منڈی میں غیر مستحکم رجحانات متوقع ہیں۔ جہاں تک ملکی معیشت کا تعلق ہے تو اس میں ناموزوں حالات برقرار رہنے کی توقع ہے جسکی بنیادی وجہ تو انائی کے شعبے میں طویل مدت سے زیر التوا اصلاحات اور مستقبل میں لئے جانے والے بڑے بین الاقوامی قرضوں کی شرائط ہیں۔ ان تمام عوامل کے باوجود ملکی معیشت میں معتدل بحالی کی توقع ہے جس کے نتیجے میں مقامی کپڑے کی صنعت میں قدرے بہتر کاروباری سرگرمیوں اور منافع کی امید ہے۔

اس تناظر میں آپ کے ادارے کی انتظامیہ موثر تجارتی نظم و نسق اور بہتر مال تجارت اور مالی انتظامات کو بروئے کار لاتے ہوئے منڈی میں اپنی بہتر مقدار فروخت اور نفع کے حصول کے لئے سخت محنت جاری رکھے ہوئے ہے۔

نی حسامتی

31 مارچ 2024 کو اختتام پذیر ہونے والی سہ ماہی میں آپ کے ادارے کو 1.17 روپے فی حصہ نفع ہوا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 6.08 روپے فی حصہ نفع حاصل ہوا تھا۔

منجانب بورڈ آف ڈائریکٹرز



لاہور
23 اپریل 2024
IBRAHIM FIBRES LIMITED 19

چیف ایگزیکٹو ایگزیکٹو

I G C P K . C O M



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