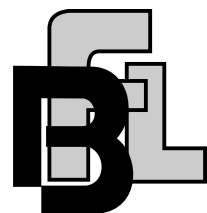


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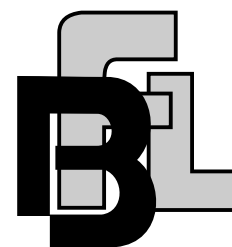
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**BILAL FIBRES LIMITED**

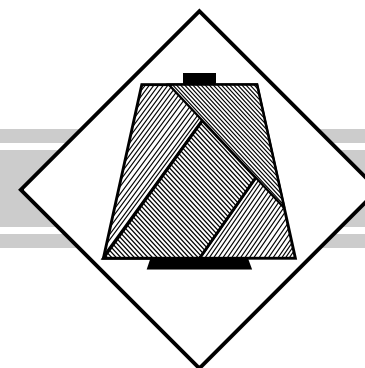
112-C, Block E/1, Ghalib Road,

Gulberg III, Lahore.

Telephone: 0423-5717701-6



**BILAL**  
**FIBRES LIMITED**  
(ISO 9001:2000 CERTIFIED)



**1<sup>st</sup> QUARTERLY  
REPORT**

**SEPTEMBER 30, 2013**  
**(UN-AUDITED)**



# BILAL FIBRES LIMITED

## COMPANY INFORMATION

Chairman / Chief Executive	Mr. Naeem Omer
Directors	Mr. Naeem Omer Mr. Anwaar Abbass Mr. Muhammad Sarwar Mr. Muhammad Zubair Mr. Muhammad Asghar Mr. Amjad Ali Mr. Abdul Sattar
Audit committee	
Chairman:	Mr. Amjad Ali
Member:	Mr. Anwaar Abbass
Member:	Mr. Muhammad Zubair
Human Resource & Remuneration committee	
Chairman:	Mr. Anwaar Abbass
Member:	Mr. Muhammad Sarwar
Member:	Mr. Abdul Sattar
Secretary	Mr. Muhammad Ahmad
Auditors	M/s Mushtaq and Company Chartered Accountants 406-407 Commerce Centre, Hasrat Mohani Road, Karachi.
Bankers	The Bank of Punjab NIB Bank Limited Silk Bank Limited
Share Registrar	M/s Corplink (Pvt.) Ltd. Wings Arcade, 1-K, Commercial, Model Town, Lahore. Phone: 0423-591-6714, 35916719 Fax: 0423-5869037
Legal Advisor	Syed Waqar Hussain Naqvi 2nd Floor, Nawa-e-Waqt Building, 4 Shahrah-e-Fatima Jinnah Road, Lahore. Tel: 042-36360624-5
Head office/ Registered office	112-C, Block E/1, Ghalib Road, Gulberg III, Lahore. Telephone: 0423-5717701-6 Fax No. 0423-5717707 Email: info@bilalfibres.com Web site: www.bilalfibres.com
Mills	38th KM, Shiekhupura Road, Tehsil Jaranwala, District Faisalabad. Telephone: 041-4689075, 4689076 Fax No. 042-4689279 Email: mills@bilalfibres.com Email: bilalfib@fsd.comsats.net.pk



# BILAL FIBRES LIMITED

## DIRECTOR'S REPORT

The Directors are pleased to present you the un-audited accounts of the Company for the 1<sup>st</sup> quarter ended 30<sup>th</sup> September 2013.

The Accounts have been prepared in compliance with IAS-34 and being submitted as required under section 245 of Companies Ordinance 1984.

The mills is working on twenty four hours basis by the blessings of Allah (SWT) except when electricity and gas both are not available simultaneously. As far as efficiency is concern, the mills is growing day by day Alhamdulillah and started to earn profit and is on a prosperous path. The efforts of management is bringing prosperity for the organization and earned Rs.13.827 million profit before taxation in this current period. The reason of decrease in the profit margin is due to the high prices of input raw materials where as the sale price of yarn did not support accordingly.

### FINANCIAL AND OPERATING PERFORMANCE:

Following is the comparison of current financial results with the last 1<sup>st</sup> quarterly financial results:-

Particulars	2013		2012	
	Rupees in Million	% age to Sales	Rupees in Million	% age to Sales
Sales	462.588		492.265	
Gross Profit	39.281	8.49	53.143	10.80
Operating Profit	24.615	5.32	40.571	8.24
Finance Cost	10.789	2.33	14.892	3.02
Net Profit before tax	13.827	2.99	25.679	5.22
Net Profit after tax	4.659	1.01	14.593	2.96
Earnings per shares	0.33		1.03	

### OPERATING PERFORMANCE

The factory remained operational throughout the period and mills worked on three shifts basis and producing a good quality yarn. The total yarn produced is 1.632 million kgs. (2012 - 1.892 million kgs.) The converted production in 20s count worked out to 2.524 million kgs. (2012 - 2.894 million kgs.)

### FUTURE PROSPECTS

The management is making consistent efforts, as a result of that director of the company has injected a loan of Rs.15.000 million to improve the quality of the product as well as to maintain the production costs within the limits in order to improve the profitability and cash flows of the Company.

For and on behalf of the  
By order of Board

Lahore  
October 30, 2013

(Naeem Omer)  
Chief Executive



# BILAL FIBRES LIMITED

## CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT SEPTEMBER 30, 2013

	NOTE	(Un audited) September 30, 2013 Rupees	(Audited) June 30, 2013 Rupees
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	5	1,058,444,649	1,054,930,423
Long term deposits		3,601,320	3,601,320
		1,062,045,969	1,058,531,743
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		13,258,632	13,700,570
Stock in trade		194,027,127	185,158,510
Trade debts		35,599,056	35,828,500
Loans and advances		16,444,511	16,784,054
Trade deposits and short term prepayments		7,265,325	4,587,070
Other receivables		548,994	548,994
Tax refund due from Government		26,757,579	27,352,525
Cash and bank balances		6,256,966	6,689,882
		300,158,190	290,650,105
		1,362,204,159	1,349,181,848
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<i>Authorized:</i>			
15,000,000 (June 30, 2012: 15,000,000) Ordinary shares of Rs. 10/- each		150,000,000	150,000,000
<i>Issued, subscribed and paid up:</i>			
14,100,000 (June 30, 2012: 14,100,000) Ordinary shares of Rs. 10/- each fully paid in cash		141,000,000	141,000,000
Accumulated loss		(191,436,420)	(199,114,524)
		(50,436,420)	(58,114,524)
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - net of tax</b>			
		333,185,535	332,625,286
<b>DEFERRED INCOME</b>			
		18,211,963	19,426,092
<b>NON - CURRENT LIABILITIES</b>			
Long term financing from banking companies		451,161,548	450,670,668
Long term financing from directors and associates	6	67,500,000	52,500,000
Liabilities against assets subject to finance lease		98,925,315	98,984,866
Deferred liabilities		139,469,750	139,924,968
		757,056,613	742,080,502
<b>CURRENT LIABILITIES</b>			
Trade and other payables		39,566,289	38,558,471
Accrued interest/ markup		58,840,530	53,924,459
Short term borrowings		114,924,236	132,025,971
<i>Current portion of:</i>			
Long term financing from banking companies		66,130,478	67,882,532
Liabilities against assets subject to finance lease		10,175,000	10,849,000
Provision for taxation		14,549,935	9,924,059
		304,186,468	313,164,492
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7	1,362,204,159	1,349,181,848

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

Chief Executive

Director



# BILAL FIBRES LIMITED

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	NOTE	Quarter ended Sep 30, 2013	Quarter ended Sep 30, 2012
		.....Rupees.....	
Sales		462,587,582	492,265,000
Cost of goods sold	8	(423,306,872)	(439,122,454)
Gross profit		39,280,710	53,142,546
Other operating income		2,499,984	1,520,913
Distribution cost		(6,133,954)	(4,397,996)
Administrative expenses		(10,192,109)	(8,342,853)
Other operating expenses		(839,456)	(1,351,540)
Finance cost		(10,788,617)	(14,891,811)
Profit before taxation		13,826,558	25,679,259
Provision for taxation			
Current-for the period		(4,625,876)	(4,922,650)
Deferred		(4,541,674)	(6,163,644)
		(9,167,550)	(11,086,294)
Profit after taxation		4,659,008	14,592,965

Earnings per share-basic and diluted 0.33 1.03

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

Chief Executive

Director



# BILAL FIBRES LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Quarter ended Sep 30, 2013	Quarter ended Sep 30, 2012
.....Rupees.....		
Profit for the period	4,659,008	14,592,965
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>4,659,008</u>	<u>14,592,965</u>

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

Chief Executive

Director



# BILAL FIBRES LIMITED

CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Quarter Ended Sep 30, 2013	Quarter Ended Sep 30, 2012
.....Rupees.....		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	13,826,558	25,679,259
Adjustments for:		
Depreciation	12,228,853	9,954,566
Provision for staff retirement benefits - gratuity	2,196,552	1,829,649
Gain on disposal of property, plant and equipment	(1,285,853)	
Finance cost	10,788,617	14,891,811
Worker's profit participation fund	839,456	
Amortization of Deferred Income	(1,214,131)	(1,214,131)
Operating cash flow before working capital changes	<u>37,380,052</u>	<u>51,141,154</u>
(Increase)/ decrease in current assets		
Stores, spare parts and loose tools	441,938	(1,174,088)
Stock in trade	(8,868,617)	6,075,813
Trade debts	229,445	(9,690,804)
Loans and advances	339,543	(11,059,424)
Trade deposits and short term prepayments	(2,678,255)	(2,318,839)
Other receivables	-	-
Tax Refunds due from Government	5,769,686	101,455
Increase/ (decrease) in current liabilities		
Trade and other payables	168,362	(29,794,460)
	<u>(4,597,898)</u>	<u>(47,860,347)</u>
Cash generated/(used in) from operations	32,782,154	3,280,807
Prepayments for:		
Finance cost	(2,808,271)	(2,341,055)
Income tax	(5,174,741)	(4,255,048)
Staff retirement benefits - gratuity	(3,614,100)	(1,614,700)
Net cash used in operating activities	<u>A 21,185,042</u>	<u>(4,929,996)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(17,587,222)	(6,603,923)
Proceeds from disposal of property, plant and equipments	3,130,000	-
Long term deposits	-	-
Net cash used in investing activities	<u>B (14,457,222)</u>	<u>(6,603,923)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from long term financing	15,000,000	-
Repayment of:		
Long term financing to banking companies	(3,059,001)	(1,655,000)
Liabilities against assets subject to finance lease	(2,000,000)	-
Short term borrowings	(17,101,735)	14,017,904
Net cash from / (used in) financing activities	<u>C (7,160,736)</u>	<u>12,362,904</u>
Net increase/ (decrease) in cash equivalents	<u>(A + B + C) (432,918)</u>	<u>828,984</u>
Cash and cash equivalents at the beginning of the period	6,689,882	9,171,038
Cash and cash equivalents at the end of the period	<u>6,256,966</u>	<u>10,000,022</u>

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

Chief Executive

Director



# BILAL FIBRES LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Issued, Subscribed and Paid Up Capital	Accumulated Loss	Total
Balance as at July 01, 2012	141,000,000	(268,995,842)	(127,995,842)
Transfer from surplus on revaluation on account of disposal of property, plant and equipment - net of tax	-	-	-
Transfer from surplus on revaluation on account of Incremental depreciation - net of tax	-	1,955,100	1,955,100
Total comprehensive income for the period	-	14,592,965	14,592,965
Balance as at September 30, 2012	141,000,000	(252,447,777)	(111,447,777)
Balance as at July 01, 2013	141,000,000	(199,114,524)	(58,114,524)
Transfer from surplus on revaluation on account of disposal of property, plant and equipment - net of tax	-	-	-
Transfer from surplus on revaluation on account of Incremental depreciation - net of tax	-	3,019,095	3,019,095
Total comprehensive income for the period	-	4,659,008	4,659,008
Balance as at September 30, 2013	141,000,000	(191,436,420)	(50,436,420)

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

Chief Executive

Director



# BILAL FIBRES LIMITED

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

### 1 STATUS AND ACTIVITIES

The company is limited by shares, incorporated in Pakistan under the Companies Ordinance, 1984 and is quoted on stock exchange at Karachi, Lahore and Islamabad. The principal business of the company is manufacturing and sale of yarn. The mill is located at 38-KM Shiekhupura Road, Tehsil Jaranwala, District Faisalabad.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34, "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended 30th June, 2013.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and Section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements comprise of condensed interim statement of balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flows statement and condensed interim statement of changes in equity together with the notes for the 1st Quarter ended September 30, 2013 which is un-audited. These condensed interim financial statements also include the condensed interim income statement for the 1st Quarter ended September 30, 2013.

### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2013.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

### 4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by managements in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2013.

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2013.

### 5 PROPERTY PLANT AND EQUIPMENT

	(Un-Audited) Sep 30, 2013 Rupees	(Audited) Jun 30, 2013 Rupees
Opening written down value	1,054,930,423	876,684,182
Add: Addition/ transfer/ revaluation during the period	17,587,222	221,052,374
	1,072,517,645	1,097,736,556
Less: Disposal/ transfer during the period	(1,884,817)	(2,175,000)
Depreciation charged during the period	(12,188,179)	(40,631,133)
Closing written down value	1,058,444,649	1,054,930,423



# BILAL FIBRES LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	(Un-Audited) Sep 30, 2013 Rupees	(Audited) Jun 30, 2013 Rupees
5.1 Following is the detail of addition during the period		
Owened:		
Building	-	1,249,000
Plant & Machinery	3,043,127	56,130,213
Office Equipment	140,090	961,336
Furniture & fixtures	-	52,500
Vehicles	14,404,005	5,371,557
Surplus on Revaluation arised during the period	-	157,287,768
Leased:		
Plant & Machinery	-	-
	<u>17,587,222</u>	<u>221,052,374</u>
5.2 Following is the detail of disposals/transfers during the period/year		
Plant & machinery	-	1,700,000
Vehicles	<u>1,884,817</u>	<u>475,000</u>
	<u>1,884,817</u>	<u>2,175,000</u>

6 These are unsecured, interest free and not repayable in next twelve months. These loans are subordinated to the loans from banking companies.

## 7 CONTINGENCIES AND COMMITMENTS

There is no major changes in contingencies and commitments as have been disclosed in the audited financial statements for the year ended June 30, 2013.

		Quarter Ended Sep 30, 2013 Rupees	Quarter Ended Sep 30, 2012 Rupees
8 COST OF GOODS SOLD			
Cost of goods manufactured	8.1	430,910,356	434,940,481
Finished goods:			
Opening stock		<u>14,195,220</u>	<u>16,938,764</u>
Closing stock		<u>(21,798,703)</u>	<u>(12,756,791)</u>
		<u>(7,603,483)</u>	<u>4,181,973</u>
		<u>423,306,872</u>	<u>439,122,454</u>



# BILAL FIBRES LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

		Quarter Ended Sep 30, 2013 Rupees	Quarter Ended Sep 30, 2012 Rupees
8.1 Cost of goods manufactured			
Raw material consumed	8.2	311,635,730	335,569,443
Cost of raw material sold	8.2	-	4,117,075
Salaries, wages and benefits		33,060,494	29,558,184
Fuel and power		60,046,392	41,619,502
Stores and spares consumed		6,270,224	4,538,816
Packing material consumed		5,495,369	6,159,889
Repair and maintenance		2,555,442	1,972,976
Insurance		826,086	593,281
Depreciation		11,495,663	9,566,849
Other		<u>926,292</u>	<u>572,742</u>
		<u>432,311,692</u>	<u>434,268,757</u>
Work in process			
Opening stock		<u>14,744,454</u>	<u>14,984,404</u>
Closing stock		<u>(16,145,791)</u>	<u>(14,312,680)</u>
		<u>(1,401,337)</u>	<u>671,724</u>
		<u>430,910,356</u>	<u>434,940,481</u>
8.2 Raw material consumed			
Opening stock		156,218,836	163,273,300
Purchases including purchase expenses		294,743,520	338,464,403
Cost of raw martial sold		-	(4,117,075)
Closing stock		<u>(139,326,626)</u>	<u>(162,051,185)</u>
		<u>311,635,730</u>	<u>335,569,443</u>

9 TRANSACTION WITH RELATED PARTIES	September 30, 2013 Rupees	September 30, 2012 Rupees
------------------------------------	---------------------------------	---------------------------------

Relationship	Nature of transaction		
Key management personnel	Salaries and benefits	<u>2,346,000</u>	<u>1,760,500</u>

10 The financial statements were authorized for issue on October 30, 2013 by the board of directors of the company.

11 Figures of the prior period has been re-arranged wherever necessary for the purpose of comparison.

Chief Executive

Director