
THIRD QUARTERLY REPORT OF
Ibrahim Fibres Limited
FOR THE PERIOD ENDED MARCH 31, 2017



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Contents

03 Company Information

04 Directors' Review - English

Condensed Interim Financial Report

06 Condensed Interim Balance Sheet

07 Condensed Interim Profit and Loss Account

08 Condensed Interim Statement of Comprehensive Income

09 Condensed Interim Cash Flow Statement

10 Condensed Interim Statement of Changes in Equity

11 Selected Explanatory Notes to the Condensed Interim Financial Report

16 Directors' Review - Urdu

Company Information

Board of Directors

Sheikh Mukhtar Ahmed
Chairman

Mohammad Naeem Mukhtar
Chief Executive Officer

Muhammad Waseem Mukhtar
Mohammad Naeem Asghar
Abdul Hameed Bhutta
Mohammad Waqar
Ikram ul Haq Mian

Chief Financial Officer

Mohammad Naeem Asghar

Company Secretary

Muhammad Labeeb Subhani

Audit Committee

Ikram ul Haq Mian
Chairman

Abdul Hameed Bhutta
Member

Mohammad Waqar
Member

Muhammad Labeeb Subhani
Secretary

Human Resource & Remuneration Committee

Abdul Hameed Bhutta
Chairman

Ikram ul Haq Mian
Member

Mohammad Waqar
Member

Auditors

Deloitte Yousuf Adil
Chartered Accountants.

Bankers

Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
BankIslami Pakistan Limited
Citibank, N.A.
Deutsche Bank AG
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
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.

Registrar's & Shares Registration Office

M/s Technology Trade (Pvt) Ltd.
Dagia House, 241 - C, Block - 2,
P.E.C.H.S., Off: Shahrah-e-Quaideen,
Karachi, Pakistan.

Projects Location

38 - 40 Kilometres,
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 third quarter of current financial year and nine months ended March 31, 2017.

Operating Performance

During the quarter under review, polyester plant of your Company produced 77,348 tons of Polyester Staple Fibre (PSF) as compared to production of 63,380 tons during the corresponding quarter of previous year. Accordingly during the period of nine months under review, polyester plant produced 220,196 tons of PSF / Polyester Chips as compared to production of 171,692 tons during the corresponding period of previous year.

The textile plants of your Company produced 20,337 tons of blended yarns of different counts during the period of nine months under review as against production of 24,373 tons during the corresponding period of previous year. One of the yarn spinning plants of your Company remained offline till December 2016 for its BMR resulting in reduced production of spun yarn during the period under review as compared to corresponding period of last year.

Financial Performance

The net sales during the quarter under review amounted to Rs. 10,201 million as compared to Rs. 9,274 million during corresponding quarter of previous year.

Your Company earned gross profit for the quarter amounting to Rs. 807 million as compared to Rs. 377 million during corresponding quarter of previous year.

During the period of nine months under review, cumulative net sales amounted to Rs. 30,067 million and cumulative gross profit to Rs. 1,982 million as compared to Rs. 24,671 million and Rs. 164 million respectively during corresponding period of previous year.

During the month of December 2016, the Company disposed-off its entire investment in Allied Bank Limited (ABL) to Ibrahim Holdings (Private) Limited, an associated company. This transaction resulted in realisation of gain on disposal of investment amounting to 5,788 million.

After accounting for Company's proportionate share in profits of ABL till disposal of its entire investment as stated above, your Company earned profit before tax of Rs. 360 million during the quarter and Rs. 7,761 million during the period of nine months under review as compared to Rs. 534 million and Rs. 674 million respectively during corresponding periods of previous year. Profit after tax amounted to Rs. 146 million for the quarter and Rs. 8,527 million for the period of nine months under review as compared to Rs. 385 million and Rs. 573 million respectively for the corresponding period of previous year.

Future Outlook

Volatile trends in crude oil market are expected to be continued in foreseeable future which may disrupt margins across petrochemical chain including your Company. However, continued energy supplies to local industries as well as trade incentives of Government of Pakistan may create enabling environment for local industrial sector including 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 nine months ended March 31, 2017 come to Rs. 27.46 as compared to Rs. 1.84 for the corresponding period of previous year.

On behalf of the Board,

Ibrahim Fibres Limited

CONDENSED INTERIM FINANCIAL REPORT

for the period ended March 31, 2017

Condensed Interim Balance Sheet

as at March 31, 2017

	Note	Unaudited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
NON - CURRENT ASSETS			
Property, plant and equipment	3	28,429,771,411	24,737,959,691
Intangible assets		38,628,716	41,774,935
Investment in associate	4	-	13,762,491,415
Long term loans		43,562,590	33,260,833
Long term deposits		3,993,754	4,008,754
		28,515,956,471	38,579,495,628
CURRENT ASSETS			
Stores, spare parts and loose tools		2,308,295,982	2,130,071,158
Stock in trade		7,554,177,444	5,197,078,034
Trade debts		231,596,653	206,035,854
Loans and advances		1,144,539,872	1,034,924,058
Prepayments		25,096,200	20,116,110
Other receivables		13,407,002,606	3,787,477,324
Cash and bank balances		367,743,996	103,129,306
		25,038,452,753	12,478,831,844
CURRENT LIABILITIES			
Trade and other payables		2,066,011,779	1,841,136,456
Markup / interest payable		199,121,485	19,264,912
Short term borrowings		2,684,688,741	2,690,973,528
Current portion of long term financing		2,433,333,332	1,683,333,334
Provision for taxation - income tax		255,996,708	365,179,341
		7,639,152,045	6,599,887,571
Working capital		17,399,300,708	5,878,944,273
Total capital employed		45,915,257,179	44,458,439,901
NON - CURRENT LIABILITIES			
Long term financing		6,950,000,000	5,616,666,666
Deferred liabilities:			
Deferred taxation		456,151,393	1,466,986,810
Staff retirement gratuity		1,213,567,780	1,137,126,471
		8,619,719,173	8,220,779,947
CONTINGENCIES AND COMMITMENTS	5	-	-
Net worth		37,295,538,006	36,237,659,954
Represented by:			
SHARE CAPITAL AND RESERVES			
Share capital		3,105,069,950	3,105,069,950
Loans from directors		-	7,426,985,233
Capital reserves		1,072,017,550	1,072,017,550
Revenue reserves		33,118,450,506	24,633,587,221
		37,295,538,006	36,237,659,954

The annexed notes form an integral part of this condensed interim financial report.

Chief Executive Officer

Director

Condensed Interim Profit and Loss Account (Unaudited)

for the period ended March 31, 2017

	Note	Quarter ended March 31, 2017 Rupees	Quarter ended March 31, 2016 Rupees	Nine months ended March 31, 2017 Rupees	Nine months ended March 31, 2016 Rupees
Sales - net		10,200,704,345	9,273,585,143	30,067,200,611	24,671,293,126
Cost of goods sold	6	(9,394,062,526)	(8,897,006,100)	(28,085,004,984)	(24,507,287,246)
Gross profit		806,641,819	376,579,043	1,982,195,627	164,005,880
Selling and distribution expenses		(76,931,571)	(70,236,820)	(209,726,435)	(200,153,210)
Administrative expenses		(174,570,284)	(152,780,689)	(523,572,840)	(481,491,945)
Other operating expenses		(25,769,155)	3,536,898	(46,955,977)	-
Finance cost		(178,991,083)	(215,393,673)	(537,538,828)	(736,122,849)
		(456,262,093)	(434,874,284)	(1,317,794,080)	(1,417,768,004)
Other income	7	350,379,726	(58,295,241)	664,401,547	(1,253,762,124)
		9,558,176	34,683,476	5,815,339,960	55,125,960
Share of profit of associate	4	359,937,902	(23,611,765)	6,479,741,507	(1,198,636,164)
		-	557,816,000	1,281,164,000	1,872,810,000
Profit before taxation		359,937,902	534,204,235	7,760,905,507	674,173,836
(Provision for) / reversal of taxation	8	(214,009,214)	(149,698,202)	765,682,926	(101,574,778)
Profit for the period		145,928,688	384,506,033	8,526,588,433	572,599,058
Earnings per share - Basic and Diluted		0.47	1.24	27.46	1.84

The annexed notes form an integral part of this condensed interim financial report.

Condensed Interim Statement of Comprehensive Income (Unaudited) for the period ended March 31, 2017

	Quarter ended March 31,		Nine months ended March 31,	
	2017	2016	2017	2016
	Rupees	Rupees	Rupees	Rupees
Profit for the period	145,928,688	384,506,033	8,526,588,433	572,599,058
Other comprehensive income for the period				
Items that may be reclassified subsequently to profit or loss				
Share of changes in equity of associate	–	(171,008,000)	(60,095,000)	(144,744,000)
Deferred tax relating to share of changes in equity of associate	–	21,376,000	7,511,875	18,093,000
	–	(149,632,000)	(52,583,125)	(126,651,000)
Share of changes in equity of associate reclassified to profit or loss on disposal of related investment	–	–	(10,212,036)	–
Reversal of deferred tax on share of changes in equity of associate on disposal of related investment	–	–	1,276,505	–
	–	–	(8,935,531)	–
	–	(149,632,000)	(61,518,656)	(126,651,000)
Total comprehensive income for the period	145,928,688	234,874,033	8,465,069,777	445,948,058

The annexed notes form an integral part of this condensed interim financial report.

Condensed Interim Cash Flow Statement (Unaudited)

for the period ended March 31, 2017

	Nine months ended March 31, 2017	2016
	Rupees	Rupees
a) Cash flows from operating activities		
Profit before taxation	7,760,905,507	674,173,836
Adjustments for:		
Depreciation / amortisation of property, plant and equipment	1,711,509,350	1,752,909,046
Amortisation of intangible assets	11,474,395	11,462,211
Provision for staff retirement gratuity	133,332,157	156,851,861
Loss / (gain) on disposal of property, plant and equipment	10,679,870	(22,904,824)
Profit on deposits	(30,484)	(48,637)
Gain on disposal of investment in associate	(5,787,764,990)	-
Share of profit of associate	(1,281,164,000)	(1,872,810,000)
Finance cost	537,538,828	736,122,849
Operating cash flows before working capital changes	3,096,480,633	1,435,756,342
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(178,224,824)	(13,450,417)
Stock in trade	(2,357,099,410)	1,441,925,937
Trade debts	(25,560,799)	(43,160,814)
Loans and advances	(235,708,433)	113,275,861
Prepayments	(4,980,090)	(6,965,374)
Other receivables	(893,834,296)	57,537,907
Increase / (decrease) in current liabilities		
Trade and other payables	198,335,356	(403,680,102)
	(3,497,072,496)	1,145,482,998
Cash (used in) / generated from operations	(400,591,863)	2,581,239,340
Long term loans disbursed - net	(18,158,576)	(11,615,689)
Finance cost paid	(402,864,733)	(650,162,220)
Income tax paid	(363,083,118)	(181,147,042)
Staff retirement gratuity paid	(59,213,220)	(87,531,699)
Net cash (used in) / from operating activities	(1,243,911,510)	1,650,782,690
b) Cash flows from investing activities		
Additions in:		
Property, plant and equipment	(5,349,094,252)	(1,245,644,401)
Intangible assets	(8,328,176)	(7,873,988)
Proceeds from disposal of:		
Property, plant and equipment	9,174,935	56,794,134
Investment in associate	1,683,400,000	-
Dividend received	727,657,185	1,018,720,059
Long term deposits	15,000	273,624
Profit on deposits	33,466	49,588
Net cash used in investing activities	(2,937,141,842)	(177,680,984)
c) Cash flows from financing activities		
Loans from directors obtained	2,532,590,794	-
Repayment of loans from directors	(163,934,490)	-
Long term financing obtained	2,550,000,000	-
Repayment of long term financing	(466,666,668)	(1,575,000,000)
(Decrease) / increase in short term borrowings - net	(6,284,787)	181,672,873
Dividend paid	(36,807)	(10,579)
Net cash from / (used in) financing activities	4,445,668,042	(1,393,337,706)
Net increase in cash and cash equivalents (a+b+c)	264,614,690	79,764,000
Cash and cash equivalents at the beginning of the period	103,129,306	163,844,103
Cash and cash equivalents at the end of the period	367,743,996	243,608,103

The annexed notes form an integral part of this condensed interim financial report.

Condensed Interim Statement of Changes in Equity (Unaudited)

for the period ended March 31, 2017

	Share Capital	Loans from Directors		Capital Reserves			Revenue Reserves			Total
		Share premium	Merger reserve	Share of changes in equity of associate	General reserve	Unappropriated profit	Rupees			
Balance as at July 01, 2015	3,105,069,950	-	-	1,000,000,000	72,017,550	342,225,716	4,089,673,099	18,736,959,498	27,345,945,813	
Total comprehensive income for the period	-	-	-	-	-	-	-	572,599,056	572,599,056	
Other comprehensive income	-	-	-	-	-	-	-	-	-	
Items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-	-	
Share of changes in equity of associate	-	-	-	-	-	(144,744,000)	-	-	(144,744,000)	
Deferred tax	-	-	-	-	-	18,083,000	-	-	18,083,000	
Deferred tax	-	-	-	-	-	(126,851,000)	-	-	(126,851,000)	
Balance as at March 31, 2016	3,105,069,950	-	-	1,000,000,000	72,017,550	215,574,716	4,089,673,099	19,309,558,556	27,791,893,871	
Transactions with owners	-	-	-	-	-	-	-	-	-	
Loans from directors	-	7,426,985,233	-	-	-	-	-	-	7,426,985,233	
Total comprehensive income for the period	-	-	-	-	-	-	-	962,677,823	962,677,823	
Other comprehensive income	-	-	-	-	-	-	-	-	-	
Items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-	-	
Share of changes in equity of associate	-	-	-	-	-	(17,716,000)	-	-	(17,716,000)	
Deferred tax	-	-	-	-	-	2,214,500	-	-	2,214,500	
Deferred tax	-	-	-	-	-	(15,501,500)	-	-	(15,501,500)	
Items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	104,946,333	104,946,333	
Remeasurement of staff retirement gratuity	-	-	-	-	-	-	-	(33,341,666)	(33,341,666)	
Deferred tax	-	-	-	-	-	-	-	71,604,527	71,604,527	
Deferred tax	-	-	-	-	-	-	-	(1,034,282,350)	(1,034,282,350)	
Balance as at June 30, 2016	3,105,069,950	-	-	1,000,000,000	72,017,550	(15,501,500)	4,089,673,099	20,343,840,906	36,237,659,954	
Transactions with owners	-	-	-	-	-	-	-	-	-	
Loans from directors	-	2,532,590,794	-	-	-	-	-	-	2,532,590,794	
Directors' loans repaid / adjusted	-	(9,969,576,027)	-	-	-	-	-	-	(9,969,576,027)	
Total comprehensive income for the period	-	-	-	-	-	-	-	8,526,588,433	8,526,588,433	
Profit	-	-	-	-	-	-	-	-	-	
Other comprehensive income	-	-	-	-	-	-	-	-	-	
Items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-	-	
Share of changes in equity of associate	-	-	-	-	-	(60,095,000)	-	-	(60,095,000)	
Deferred tax	-	-	-	-	-	7,511,875	-	-	7,511,875	
Deferred tax	-	-	-	-	-	(52,583,125)	-	-	(52,583,125)	
Share of changes in equity of associate reclassified on disposal of investment to	-	-	-	-	-	(10,212,036)	-	-	(10,212,036)	
Profit or loss	-	-	-	-	-	1,276,505	-	-	1,276,505	
Deferred tax	-	-	-	-	-	(8,935,531)	-	-	(8,935,531)	
Deferred tax	-	-	-	-	-	(153,348,068)	-	-	(153,348,068)	
Unappropriated profit	-	-	-	-	-	19,193,308	-	-	19,193,308	
Deferred tax	-	-	-	-	-	(138,554,566)	-	-	(138,554,566)	
Balance as at March 31, 2017	3,105,069,950	-	-	1,000,000,000	72,017,550	(200,073,216)	4,089,673,099	29,028,777,407	37,295,538,016	

The annexed notes form an integral part of this condensed interim financial report.

Chief Executive Officer

Director

Selected Explanatory Notes to the Condensed Interim Financial Report (Unaudited) for the period ended March 31, 2017

1. STATUS AND ACTIVITIES

- 1.1** Ibrahim Fibres Limited (the Company) is incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 (the Ordinance) 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** This condensed interim financial report is presented in Pak Rupee, which is the Company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

This condensed interim financial report has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Ordinance. In case the requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim financial report is unaudited and is being submitted to the shareholders as required under Section 245 of the Ordinance.

2.2 Application of new and revised International Financial Reporting Standards (IFRSs)

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

There are certain new standards, amendments to standards and interpretations that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2016 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 this condensed interim financial report.

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

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

2.3 Basis of preparation

This condensed interim financial report has been prepared under the "historical cost convention" except staff retirement gratuity carried at present value and investment in associate accounted for using the equity method. This condensed interim financial report does 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 June 30, 2016.

2.4 Accounting policies and methods of computation

The accounting policies and methods of computation followed in the preparation of this condensed interim financial report are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2016.

Selected Explanatory Notes to the Condensed Interim Financial Report (Unaudited) for the period ended March 31, 2017

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 as at and for the year ended June 30, 2016.

	Unaudited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
3. PROPERTY, PLANT AND EQUIPMENT		
Operating assets	22,247,994,791	22,236,282,314
Capital work in progress	6,181,776,621	2,501,677,377
	28,429,771,412	24,737,959,691

	Nine months ended March 31, 2017		Nine months ended March 31, 2016	
	Acquisitions Rupees	Disposals Rupees	Acquisitions Rupees	Disposals Rupees
3.1 Acquisitions and disposals of operating assets - at cost				
Freehold land	54,771,160	-	40,919,135	-
Building on freehold land	154,652,317	-	500,000	-
Plant and machinery	1,428,638,085	80,899,339	13,229,721	178,855,317
Furniture and fixture	12,586,503	45,200	11,449,981	470,161
Office equipment	32,509,378	2,131,522	19,673,187	6,464,666
Vehicles	59,919,189	26,275,271	34,815,693	41,605,007
	1,743,076,632	109,351,332	120,587,717	227,395,151

	Note	Unaudited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
4. INVESTMENT IN ASSOCIATE			
Allied Bank Limited (ABL) - Quoted			
Nil (June 30, 2016: 194,041,916) ordinary shares of Rs.10/- each			
Ownership interest Nil (June 30, 2016: 16.95%)			
Cost of investment		3,975,325,052	3,975,325,052
Share of post acquisition changes in equity			
Opening balance		9,787,166,363	8,618,943,775
Share of profit		1,281,164,000	2,688,976,000
Share of other comprehensive income		(60,095,000)	(162,460,000)
Dividend received		(727,657,185)	(1,358,293,412)
		10,280,578,178	9,787,166,363
Disposal of shares	4.2	14,255,903,230 (14,255,903,230)	13,762,491,415 -
		-	13,762,491,415

Selected Explanatory Notes to the Condensed Interim Financial Report (Unaudited) for the period ended March 31, 2017

- 4.1** ABL is engaged in banking business. Its registered and head office is situated at 3 Tipu Block, New Garden Town, Lahore, Pakistan.
- 4.2** The Company's shareholding in associate has been disposed off to Ibrahim Holdings (Private) Limited (IHL), an associated company. The shares have been disposed off by virtue of a Sale and Purchase Agreement (SPA) signed among the Company, IHL and the sponsor shareholders of ABL after having received approval from the State Bank of Pakistan for transferring sponsor shareholding of ABL to IHL.
- 4.3** The Company exercises significant influence on ABL by virtue of common directorship.
- 4.4** The fair value of investment in associate as at March 31, 2017 is Rs. Nil (June 30, 2016: Rs. 17,456 million).
- 4.5** The financial year end of ABL is 31st December. The latest available financial results of associate as of September 30, 2016 have been used for the purpose of application of equity method.

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 June 30, 2016 except the following:

- (i) Bank guarantees issued in favour of Sui Northern Gas Pipelines Limited against supply of gas as mentioned in Note 18.1.1 (ii) to the above referred financial statements, have been increased to Rs. 270.687 million.
- (ii) Bank guarantees issued in favour of The Director, Excise and Taxation, Karachi against imposition of infrastructure cess as mentioned in Note 18.1.1 (iii) to the above referred financial statements, have been increased to Rs. 545.000 million.
- (iii) Bank guarantees issued in favour of The Collector of Customs, Karachi to avail exemption from levy of custom duty, sales tax and income tax as mentioned in Note 18.1.1 (iv) to the above referred financial statements, have been reduced to Rs. 4.698 million.
- (iv) A new bank guarantee of Rs. 3.475 million is issued in favour of The Collector of Customs, Lahore to avail exemption from levy of custom duty, sales tax and income tax on temporary import of heat treatment and welding machines for erection of Coal Fired Power Generation Plant.
- (iv) A new bank guarantee of Rs. 1.472 million is issued in favour of Collector, Model Custom Collectorate, Port Muhammad Bin Qasim, Karachi to avail exemption from levy of custom duty, sales tax and income tax on temporary import of equipment and accessories for erection of Coal Fired Power Generation Plant.

	Unaudited March 31, 2017	Audited June 30, 2016
	Rupees in million	Rupees in million
5.2 Commitments		
5.2.1 Under contracts for capital expenditure:		
Building on freehold land	52.950	308.256
Plant and machinery	104.365	282.224
5.2.2 Under letters of credit for:		
Plant and machinery	370.417	4,459.802
Raw materials and spare parts	1,724.560	840.772

Selected Explanatory Notes to the Condensed Interim Financial Report (Unaudited) for the period ended March 31, 2017

Note	Quarter ended March 31,		Nine Months ended March 31,	
	2017	2016	2017	2016
	Rupees	Rupees	Rupees	Rupees
6. COST OF GOODS SOLD				
Raw materials consumed	8,284,064,965	5,907,279,580	21,932,053,723	17,326,602,841
Packing materials	161,661,741	113,242,131	437,007,846	327,184,305
Salaries, wages and benefits	362,146,132	332,549,775	1,085,495,660	1,038,595,824
Staff retirement benefits	34,341,933	40,430,752	103,025,799	121,292,258
Stores and spare parts	204,427,311	161,882,553	599,310,709	612,707,167
Fuel and power	934,039,321	530,089,204	2,579,404,545	2,014,802,185
Insurance	14,687,412	13,927,506	44,654,523	42,370,104
Depreciation of property, plant and equipment	577,301,308	570,542,138	1,665,332,711	1,710,200,196
Other	67,252,293	31,750,024	212,272,280	140,889,490
	10,639,922,416	7,701,693,663	28,658,557,796	23,334,644,370
Work in process				
Opening stock	398,906,713	357,536,984	402,471,977	398,266,585
Closing stock	(462,436,572)	(407,598,961)	(462,436,572)	(407,598,961)
	(63,529,859)	(50,061,977)	(59,964,595)	(9,332,376)
Cost of goods manufactured	10,576,392,557	7,651,631,686	28,598,593,201	23,325,311,994
Finished goods				
Opening stock	1,773,344,225	3,383,977,976	2,442,086,039	3,320,578,814
Closing stock	(2,955,674,256)	(2,138,603,562)	(2,955,674,256)	(2,138,603,562)
	(1,182,330,031)	1,245,374,414	(513,588,217)	1,181,975,252
	9,394,062,526	8,897,006,100	28,085,004,984	24,507,287,246
7. OTHER INCOME				
Income from financial assets:				
Profit on deposits	13,438	27,439	30,484	48,637
Exchange differences	49,492	14,160	49,492	65,588
Gain on disposal of investment in associate	–	–	5,787,764,990	–
	62,930	41,599	5,787,844,966	114,225
Income from assets other than financial assets:				
Scrap sales	8,637,905	10,858,736	24,639,126	28,888,527
Gain on disposal of property, plant and equipment	–	22,904,824	–	22,904,824
Rental income	855,280	874,650	2,730,485	2,623,950
Other	2,061	3,667	125,383	594,434
	9,495,246	34,641,877	27,494,994	55,011,735
	9,558,176	34,683,476	5,815,339,960	55,125,960
8. (PROVISION FOR) / REVERSAL OF TAXATION				
Current	(102,860,609)	(136,160,360)	(216,570,602)	(276,143,267)
Deferred	8.1 (111,148,605)	(13,537,842)	982,253,528	174,568,489
	(214,009,214)	(149,698,202)	765,682,926	(101,574,778)

8.1 Deferred tax reversal for the nine months ended March 31, 2017 includes an amount of Rs. 1,264.002 million reversed on disposal of investment in associate.

Selected Explanatory Notes to the Condensed Interim Financial Report (Unaudited) for the period ended March 31, 2017

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:

Relationship	Nature of transaction	Nine months ended March 31,	
		2017 Rupees	2016 Rupees
Associated undertakings	Rent charged	10,882,800	10,146,600
	Dividend received	727,657,185	1,018,720,059
	Receivable against disposal of shares	8,554,414,645	–
	Disposal of investment in associate	20,033,456,192	–
	Consultancy fee paid	13,920,000	16,440,000
	Rental income	2,730,485	2,623,950
Key management personnel	Remuneration	40,500,000	40,500,000
	Reimbursable expenses	3,707,149	2,314,469
	Loans from directors obtained	2,532,590,794	–
	Loans from directors repaid / adjusted	9,959,576,027	–
	Short term borrowings obtained	–	3,545,627,111

10. The provisions for taxation and workers' profit participation fund made in this condensed interim financial report are subject to adjustments in annual financial statements.

11. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial report was authorised for issue on April 22, 2017 by the Board of Directors of the Company.

12. GENERAL

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

12.2 Figures have been rounded off to the nearest Rupee.

ڈائریکٹرز کا جائزہ

آپ کے ادارے کے ڈائریکٹرز انتہائی مسرت کے ساتھ ادارے کی 31 مارچ 2017 کو اختتام پذیر ہونے والی موجودہ مالی سال کی تیسری سہ ماہی اور نو ماہی کے غیر مصدقہ (un-audited) مالیاتی نتائج آپ کے سامنے پیش کرتے ہیں۔

کاروباری کارکردگی

زیر نظر سہ ماہی میں آپ کے ادارہ کے پولیٹر کے کارخانہ نے 77,348 ٹن پولیٹر سٹیل فائبر بنایا جبکہ پچھلے سال کی متعلقہ سہ ماہی میں 63,380 ٹن پولیٹر سٹیل فائبر بنایا تھا۔ اس طرح سے زیر نظر نو ماہی میں پولیٹر کے کارخانے نے 220,196 ٹن پولیٹر سٹیل فائبر/پولیٹر چپ بنایا جبکہ پچھلی متعلقہ نو ماہی میں 171,692 ٹن پولیٹر سٹیل فائبر/پولیٹر چپ بنایا تھا۔

آپ کے ادارہ کے دھاگے کے کارخانوں نے اس نو ماہی میں 20,337 ٹن مختلف اقسام کا آمیزشی دھاگہ بنایا جبکہ پچھلی متعلقہ نو ماہی میں مختلف اقسام کا 24,373 ٹن آمیزشی دھاگہ بنایا تھا۔ آپ کے ادارے کے دھاگہ بنانے والے کارخانوں میں سے ایک کارخانہ اپنی جدت اور تبدیلی کے لئے دسمبر 2016 تک بند رہا جس کے نتیجے میں زیر نظر دورانہ میں پچھلے سال کے متعلقہ دورانہ کے مقابلہ میں دھاگے کی پیداوار میں کمی ہوئی۔

مالیاتی کارکردگی:

زیر نظر سہ ماہی میں آپ کے ادارہ کی خالص فروخت 10,201 ملین رہی جبکہ پچھلے سال کی متعلقہ سہ ماہی میں یہ فروخت 9,274 ملین تھی۔

اس سہ ماہی میں آپ کے ادارہ نے 807 ملین کا خام نفع کمایا جبکہ پچھلے سال کی متعلقہ سہ ماہی میں 377 ملین کا خام نفع ہوا تھا۔

زیر نظر نو ماہی میں مجموعی خالص فروخت 30,067 ملین اور مجموعی خام نفع 1,982 ملین رہا جبکہ پچھلے سال کی متعلقہ نو ماہی میں مجموعی خالص فروخت اور خام نفع بالترتیب 24,671 ملین اور 164 ملین رہا تھا۔

ماہ دسمبر 2016 میں کمپنی نے الائیڈ بینک لمیٹڈ میں اپنی مجموعی سرمایہ کاری اپنی ایک منسلک کمپنی ابراہیم ہولڈنگز (پرائیویٹ) لمیٹڈ کو فروخت کر دی تھی۔ سرمایہ کاری کی اس فروخت سے 5,788 ملین کا نفع حاصل ہوا تھا۔ الائیڈ بینک لمیٹڈ میں اپنی تمام درج بالا سرمایہ کاری کو فروخت کرنے تک کمپنی کے مناسب نفع کو شمار کرنے کے بعد آپ کے ادارہ نے زیر نظر سہ ماہی میں 360 ملین قبل از ٹیکس نفع اور زیر نظر نو ماہی میں 7,761 ملین قبل از ٹیکس نفع کمایا جبکہ پچھلے متعلقہ دورانہ میں بالترتیب 534 ملین اور 674 ملین قبل از ٹیکس نفع کمایا تھا۔ بعد از ٹیکس نفع زیر نظر سہ ماہی میں 146 ملین اور زیر نظر نو ماہی میں 8,527 ملین رہا جبکہ پچھلے متعلقہ دورانہ میں یہ نفع بالترتیب 385 ملین اور 573 ملین رہا۔

مستقبل پر نقطہ نظر

خام تیل کی منڈی میں غیر مستحکم رجحانات جاری رہنے کی توقع ہے جس سے پٹرولیم کی صنعت سمیت آپ کے ادارہ کے کاروباری منافع میں خلل آ سکتا ہے۔ تاہم مقامی منڈی میں توانائی کی بہتر دستیابی اور حکومت پاکستان کی طرف سے دی جانے والی کاروباری مراعات کی وجہ سے مقامی صنعت سمیت کپڑے کی صنعت کے لئے موزوں حالات پیدا ہونے 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 متدا فروخت اور نفع کے حصول کے لئے سخت محنت جاری رکھے ہوئے ہے۔

فی حصہ آمدنی

31 مارچ، 2017 کو اختتام پذیر ہونے والی نو ماہی میں آپ کے ادارہ کو 27.46 روپے فی حصہ نفع ہوا جبکہ پچھلے سال کے متعلقہ دورانہ میں 1.84 روپے فی حصہ نفع حاصل ہوا تھا۔

منجانب: اراکین

لاہور

20 فروری 2017

محمد نعیم بختر

چیف ایگزیکٹو آفیسر



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