



**Crescent
Fibres**



**Quarterly Report
March 31, 2025**

COMPANY INFORMATION

Board of Directors	Imran Maqbool	(Chief Executive Officer, Executive Director)
	Humayun Maqbool	(Executive Director)
	Naila Humayun Maqbool	(Chairperson, Non-Executive Director)
	Hanya Maqbool	(Non-Executive Director)
	Mansoor Raiz	(Non-Executive Director)
	Syed Rizwan Husain	(Independent, Non-Executive Director)
	Sheikh Muhammad Ali Asif	(Independent, Non-Executive Director)
Chief Financial Officer	Kamran Rasheed	
Company Secretary	Javaid Hussain	
Audit Committee	Sheikh Muhammad Ali Asif	(Chairman)
	Naila Humayun Maqbool	(Member)
	Hanya Maqbool	(Member)
Human Resources & Remuneration Committee	Syed Rizwan Husain	(Chairman)
	Naila Humayun Maqbool	(Member)
	Hanya Maqbool	(Member)
Auditors	BDO Ebrahim & Company	
	Chartered Accountants	
Legal Advisor	Mohsin Tayebally & Sons	
Share Registrar	Corplink (Pvt) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore. Tel: (042) 35916714, 35916719, 35839182 Email: shares@corplink.com.pk	
Registered Office	104 Shadman 1, Lahore - 54000 Tel : (042) 35960871-4 Lines	
Head Office	7th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi Tel : (021) 35682073-74	
Project Locations		
Unit No. 1	Plot No. B/123, Road No. D-7, Industrial Area Nooriabad, District Dadu Sindh	
Unit No. 2	17-Km, Faisalabad Road, Bhikhi, District Sheikhupura, Punjab	
E-mail:	lo@crescentfibres.com	
Website:	www.crescentfibres.com	



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MANAGEMENT REVIEW

The Company reported after tax loss of Rs. 468.7 million for the nine months ended March 31, 2025 as compared to a loss of Rs. 400.4 million for the nine months ended March 31, 2024. The earnings per share for the period under review was negative Rs. 37.74 as compared to negative Rs. 32.24 in the previous period.

Overall, sales decreased by 33.6% as compared to the nine months ended March 31, 2024. Demand for products continued to be weak and the company had to resort to production curtailment which further added to cost pressures. The gross margin for the period was -4.4% as compared to -1.7% in the previous period. Distribution and administrative expenses at 4.4% were higher as compared to 3.2% in the previous period. The operating margin in the period under review was at negative 7.8% as compared to -3.6% for the nine months ended March 31, 2024. The financial charges were marginally higher despite a reduction in interest rates owing negative cashflows and margins. Overall, the net margin for the period was -12.5% as compared to -7.1% for the previous period.

Textile demand started to decline in the fourth quarter of the fiscal year 2022. This trend had worsened as a weakening global economy, rising interest rates and inflation and overall commodity and financial market volatility has led to severe demand destruction. In light of domestic and global challenges we expect this downward trend to continue.

Imprudent economic policies combined with recent global events have made Pakistan's economy particularly fragile, characterized by high balance of payment and fiscal deficits, high external indebtedness and uncompetitive energy pricing. Without meaningful reforms that boost economic competitiveness, direct investment toward productive sectors that promote exports and a sustained effort to end the regulatory quagmire, Pakistan's economic recovery will continue to falter.

Other than global and domestic economic issues, the textile industry faces other challenges including high cost of doing business, increased financial, exchange rate and commodity market volatility, low domestic cotton yield and quality and supply chain. The Government has promised supply of energy at regionally competitive rates, and this must be ensured to maintain viability. In addition, the Government must adopt a prudent monetary policy, and improve liquidity by releasing long delayed income tax and other rebates. It is also imperative that the domestic industry be provided a level playing field especially with regard to the sales tax regime to remain competitive.

We expect this year to be a very difficult one for the textile industry. In order to best utilize its resources, the BOD had requested Management to explore options for investment property at Faisalabad including outright sale. The Management has received some interest from potential buyers and is exploring options.

In light of the negative outlook, the Management will continue to rely on sound, low risk decision making to protect the interests of the shareholders.

The Management wishes to place on record its appreciation for the hard work and devotion of its workers and the invaluable advice and support of the Company's Directors, shareholders and bankers.



IMRAN MAQBOOL
Chief Executive Officer
April 30, 2025



HUMAYUN MAQBOOL
Director

کمپنی نظام (ڈائریکٹران) کی رپورٹ:

کمپنی کو 31 مارچ 2025 کو ختم ہونے والے نو ماہ کے دوران ٹیکس ادائیگی کے بعد 468.7 ملین روپے کا خسارہ ہوا جس کے مقابلے میں 31 مارچ 2024 کو ختم ہونے والے نو ماہ کے دوران اسے 400.4 ملین روپے کا نقصان ہوا تھا۔ زیر جائزہ مدت کے لئے فی حصص آمدنی منفی 37.74 روپے رہی جو کہ پچھلی مدت میں منفی 32.24 روپے تھی۔

مجموعی طور پر، 31 مارچ 2024 کو ختم ہونے والے نو ماہ کے مقابلے میں فروخت میں 33.6 فیصد کمی واقع ہوئی۔ مصنوعات کی مانگ مسلسل کمزور رہی اور کمپنی کو پیداوار میں کمی کا سہارا لینا پڑا جس سے لاگت کے دباؤ میں مزید اضافہ ہوا۔ اس مدت کے لئے مجموعی منافع منفی 4.4 فیصد تھا جبکہ گذشتہ مدت میں یہ منفی 1.7 فیصد تھا۔ تقسیم اور انتظامی اخراجات گذشتہ مدت کے 3.2 فیصد کے مقابلے میں 4.4 فیصد زیادہ تھے۔ زیر جائزہ مدت میں آپریٹنگ منافع منفی 7.8 فیصد تھا جبکہ 31 مارچ 2024 کو ختم ہونے والے نو ماہ کے لئے منفی 3.6 فیصد تھا۔ شرح سود میں کمی اور کم نقد بہاؤ اور منفی منافع کی وجہ سے مالی اخراجات فروخت کے مقابلے میں معمولی زیادہ تھے۔ مجموعی طور پر، اس مدت کے لئے خالص منافع منفی 12.5 فیصد تھا جبکہ پچھلی مدت میں یہ منفی 7.1 فیصد تھا۔

مالی سال 2022 کی چوتھی سہ ماہی میں ٹیکسٹائل کی مانگ میں کمی آنا شروع ہوئی۔ یہ رجحان کمزور عالمی معیشت، بڑھتی ہوئی شرح سود اور بڑھتی ہوئی اور مجموعی طور پر اجناس اور مالیاتی منڈی میں اتار چڑھاؤ کی وجہ سے مانگ کی شدید تباہی کا باعث بنا تھا۔ ملکی اور عالمی چیلنجوں کی روشنی میں ہمیں اندیشہ ہے کہ یہ منفی رجحان جاری رہے گا۔

حالیہ عالمی واقعات کے ساتھ مل کر غلط معاشی پالیسیوں نے پاکستان کی معیشت کو خاص طور پر کمزور بنا دیا ہے، جس کی بنیادی وجہ ادائیگیوں کے بلند توازن اور مالی خسارے، بلند بیرونی قرضہ جات اور غیر مسابقتی توانائی کی قیمتوں کا تعین ہے۔ معاشی مسابقت کو فروغ دینے والی با معنی اصلاحات، برآمدات کو فروغ دینے والے پیداواری شعبوں کی طرف براہ راست سرمایہ کاری اور ریگولیٹری دلدل کو ختم کرنے کے لئے مسلسل کوششوں کے بغیر پاکستان کی معاشی بحالی ناکام ہوتی رہے گی۔

عالمی اور ملکی معاشی مسائل کے علاوہ، ٹیکسٹائل کی صنعت کو دیگر چیلنجوں کا سامنا کرنا پڑتا ہے جن میں کاروبار کرنے کی زیادہ لاگت، بڑھتی ہوئی مالی، زر مبادلہ کی شرح اور اجناس کی منڈی میں اتار چڑھاؤ، ملکی کپاس کی پیداوار میں کمی اور معیار اور فراہمی کے سلسلے میں رکاوٹیں شامل ہیں۔ حکومت نے علاقائی سطح پر مسابقتی نرخوں پر توانائی کی فراہمی کا وعدہ کیا ہے، اور عملداری کو برقرار رکھنے کے لئے اسے یقینی بنایا جانا چاہئے۔ اس کے علاوہ حکومت کو ایک دانشمندانہ مالیاتی پالیسی اپنانی چاہیے، اور طویل تاخیر سے ہونے والے کم ٹیکس اور دیگر رعایتیں جاری کر کے لیکویڈٹی کو بہتر بنانا چاہیے۔ یہ بھی ضروری ہے کہ گھریلو صنعت کو مسابقتی رہنے کے لیے خاص طور پر سیلز ٹیکس کے نظام کے حوالے سے یکساں مواقع فراہم کیے جائیں۔

ہم توقع کرتے ہیں کہ یہ سال ٹیکسٹائل کی صنعت کے لئے بہت مشکل ہوگا۔ اپنے وسائل کو بہترین طریقے سے استعمال کرنے کے لئے، بورڈ آف ڈائریکٹرز نے انتظامیہ سے درخواست کی تھی کہ وہ فیصل آباد میں جائیداد کی براہ راست فروخت سمیت سرمایہ کاری کے مواقع تلاش کرے۔ انتظامیہ کو مکمل خریداروں کی طرف سے کچھ دلچسپی ملی ہے اور وہ مواقع تلاش کر رہی ہے۔

منفی نقطہ نظر کی روشنی میں، انتظامیہ شیئر ہولڈرز کے مفادات کے تحفظ کے لئے درست، کم خطرے والے فیصلے کرنے پر اصرار کرتی رہے گی۔

کمپنی کی انتظامیہ عمل کی مسلسل محنت اور جذبے پر اچھے تعلقات کا اعتراف کرتی ہے اور کمپنی ڈائریکٹرز، بینکرز اور حصہ داران کا بھی مسلسل حمایت پر شکریہ ادا کرتی ہے۔

—
ہمایوں مقبول
ڈائریکٹر

Imran Memon
عمران مقبول
چیف ایگزیکٹو آفیسر
30 اپریل 2025ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025

		March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
ASSETS	Note		
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	5	1,686,819,210	1,790,325,959
Capital work-in-progress		4,882,454	4,882,454
		1,691,701,664	1,795,208,413
Intangible asset		4,612,966	6,249,052
Investment in associate	6	-	-
Long term investments	7	55,201,351	69,736,881
Long term deposits		55,249,313	34,539,313
		1,806,765,294	1,905,733,659
CURRENT ASSETS			
Stores, spares and loose tools		88,353,938	101,050,262
Stock in trade	8	295,194,993	698,249,075
Trade debts	9	1,065,546,575	1,167,185,282
Loans and advances		19,683,504	22,833,082
Trade deposits and short term prepayments		26,489,823	9,947,363
Other receivables		6,075,704	1,848,727
Short term investments		26,561,075	26,499,431
Tax refunds due from Government		147,733,330	177,433,540
Taxation - net		61,851,521	91,803,445
Cash and bank balances	10	118,710,509	62,513,872
		1,856,200,972	2,359,364,079
Assets classified as held for sale	11	2,538,897,200	2,538,897,200
TOTAL ASSETS		6,201,863,466	6,803,994,938
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
15,000,000 (June 30, 2024: 15,000,000) ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up capital			
12,417,876 (June 30, 2024: 12,417,876) ordinary shares of Rs. 10/- each		124,178,760	124,178,760
Capital reserves			
Surplus on revaluation of property, plant and equipment		1,996,280,568	1,996,280,568
Unrealised gain on investments at fair value through other comprehensive income		19,662,732	34,198,262
Revenue reserves		2,015,943,300	2,030,478,830
Unappropriated profit		1,330,051,799	1,798,754,388
		3,470,173,859	3,953,411,978
NON CURRENT LIABILITIES			
Long term financing	12	463,591,451	235,448,925
Lease liabilities	13	115,861,148	135,668,777
Deferred capital grant	14	84,620,967	99,393,433
Deferred taxation		14,732,548	49,261,102
		678,806,114	519,772,237
CURRENT LIABILITIES			
Trade and other payables	15	1,522,313,833	1,647,856,424
Unclaimed dividend		3,037,561	3,038,460
Interest and mark-up accrued		45,220,308	71,209,814
Short term borrowings	16	320,151,092	486,237,000
Current portion of long term liabilities	12	111,928,214	74,094,110
Current portion of lease liabilities	13	30,412,146	29,486,271
Current portion of deferred government grant	14	19,820,339	18,888,644
		2,052,883,493	2,330,810,723
TOTAL EQUITY AND LIABILITIES		6,201,863,466	6,803,994,938
CONTINGENCIES AND COMMITMENTS	17		

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


IMRAN MAQBOOL
Chief Executive Officer


HUMAYUN MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

	Note	Nine months ended		Quarter ended	
		March 31, 2025	March 31, 2024 (Restated)	March 31, 2025	March 31, 2024 (Restated)
		Rupees	Rupees	Rupees	Rupees
Sales - net		3,740,105,592	5,633,013,330	823,144,997	1,646,061,325
Cost of sales	18	(3,902,807,349)	(5,726,731,069)	(847,658,236)	(1,798,335,776)
Gross (loss) / profit		(162,701,757)	(93,717,739)	(24,513,239)	(152,274,451)
General and administrative expenses		(148,126,736)	(164,889,781)	(48,114,808)	(53,557,494)
Distribution cost		(13,140,552)	(16,092,725)	(2,660,104)	(4,497,264)
Allowance for expected credit loss	9.2	(20,748,614)	-	-	-
Other operating income		54,537,691	75,166,832	19,796,937	13,209,800
Other operating expenses		(2,112,759)	(975,000)	(1,408,506)	(325,000)
		(129,590,970)	(106,790,674)	(32,386,481)	(45,169,958)
Operating loss		(292,292,727)	(200,508,413)	(56,899,720)	(197,444,409)
Financial charges		(166,718,935)	(201,747,999)	(49,371,564)	(62,612,953)
Loss before taxation and levy		(459,011,662)	(402,256,412)	(106,271,284)	(260,057,362)
Levy	19	(47,376,818)	(85,575,242)	(10,418,821)	(35,108,242)
Loss before taxation		(506,388,480)	(487,831,654)	(116,690,105)	(295,165,604)
Taxation	20	37,685,891	87,455,552	9,500,000	2,005,343
Loss for the period		(468,702,589)	(400,376,102)	(107,190,105)	(293,160,261)
Loss per share - basic and diluted	21	(37.74)	(32.24)	(8.63)	(23.61)

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


IMRAN MAQBOOL
 Chief Executive Officer


HUMAYUN MAQBOOL
 Director


KAMRAN RASHEED
 Chief Financial Officer

**CONDENSED INTERIM STATEMENT CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

		March 31, 2025 Rupees	March 31, 2024 Rupees
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	22	240,046,099	320,612,680
Financial charges paid		(192,708,441)	(199,115,151)
Taxes paid		(46,177,446)	(69,799,346)
Net cash used in operating activities		1,160,212	51,698,183
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in capital expenditure		(5,200,000)	(15,254,766)
Proceeds from disposal of operating fixed assets		-	43,099,999
Short term investments		(61,644)	(24,778,000)
Long term deposits		(20,710,000)	(7,482,508)
Net cash used in investing activities		(25,971,644)	(4,415,275)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long term financing		35,929,661	(20,770,555)
Additions in long term financing		230,046,969	-
Principal paid on lease liabilities		(18,881,754)	(21,882,182)
Dividend paid		(899)	-
Short term borrowings - net		(166,085,908)	(113,014,872)
Net cash generated from financing activities		81,008,069	(155,667,609)
Net (decrease) / increase in cash and cash equivalents		56,196,637	(108,384,701)
Cash and cash equivalents at the beginning of the period		62,513,872	204,350,417
Cash and cash equivalents at the end of the period		118,710,509	95,965,716

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Capital Reserves			Revenue Reserves	Total
	Issued, subscribed and paid-up capital	Surplus on revaluation of property, plant and equipment	Unrealised gain on investments at fair value through other comprehensive income	Unappropriated profit	
-----Rupees-----					
Balance as at July 1, 2023 (audited)	124,178,760	1,996,280,568	32,688,266	2,557,189,191	4,710,336,785
Total comprehensive loss for the period					
Loss for the period	-	-	-	(400,376,102)	(400,376,102)
Other comprehensive income	-	-	26,015,114	-	26,015,114
	-	-	26,015,114	(400,376,102)	(374,360,988)
Balance as at March 31, 2024 (unaudited)	124,178,760	1,996,280,568	58,703,380	2,156,813,089	4,335,975,797
Balance as at July 1, 2024 (audited)					
Balance as at July 1, 2024 (audited)	124,178,760	1,996,280,568	34,198,262	1,798,754,388	3,953,411,978
Total comprehensive loss for the period					
Loss for the period	-	-	-	(468,702,589)	(468,702,589)
Other comprehensive loss	-	-	(14,535,530)	-	(14,535,530)
	-	-	(14,535,530)	(468,702,589)	(483,238,119)
Balance as at March 31, 2025 (unaudited)	124,178,760	1,996,280,568	19,662,732	1,330,051,799	3,470,173,859

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE LOSS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2025 Rupees	March 31, 2024 Rupees	March 31, 2025 Rupees	March 31, 2024 Rupees
Loss for the period	(468,702,589)	(400,376,102)	(107,190,105)	(293,160,261)
Other comprehensive (loss) / income				
Items that will not be reclassified to statement of profit or loss subsequently				
Unrealized (loss) / gain on revaluation of investments classified as fair value through other comprehensive income	(14,535,530)	26,015,114	(1,150,840)	6,989,246
Total comprehensive loss for the period	(483,238,119)	(374,360,988)	(108,340,945)	(286,171,015)

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


IMRAN MAQBOOL
Chief Executive Officer


HUMAYUN MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer

Quarterly Report

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

1 STATUS AND NATURE OF BUSINESS

Crescent Fibers Limited ("the Company") was incorporated in Pakistan on August 06, 1977 under the repealed Companies Act, 1913 (now the Companies Act, 2017) as a public limited company. The Company's shares are listed on the Pakistan Stock Exchange. The principal business of the Company is manufacture and sale of yarn.

Geographical locations and addresses of all the business units are as under:

Locations

Lahore

Office no. 104 Shadman 1, Lahore, Pakistan.

Karachi

Office no. 7th Floor, Lakson Square Building No.3 Sarwar Shaheed Road, Karachi, Pakistan.

Nooriabad

Plot No. B/123, Road No. D-7, Industrial Area Nooriabad, District Dadu, in the Province of Sindh

Bikhi

17-KM, Faisalabad Road, Bhikhi, District Sheikhupura in the Province of Punjab

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Company for the period ended March 31, 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Act;
- Provisions of and directives issued under the Companies Act, 2017; and

Where the provisions of and directives issued under the Companies Act, 2017 and IFAS-2 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 and IFAS-2 have been followed.

- 2.1.1 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2024, which have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.
- 2.1.2 The comparative statement of financial position presented in these condensed interim financial statements as at June 30, 2024 have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes thereto for the nine months period ended March 31, 2024 have been extracted from the condensed interim financial statements of the Company for the nine months period ended March 31, 2024 which were subjected to a review but not audited.
- 2.1.3 The condensed interim financial statements are unaudited and being submitted to members as required under section 237 of the Companies Act 2017 and Listing Regulations of Pakistan Stock Exchange.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise.

2.3 Initial application of standards, amendments or an interpretation to existing standards

(a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company.

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 01, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

2.4 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupee ('Rupee', or 'Rs'), which is the functional and presentation currency of the Company.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.

4 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, 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 key sources of estimation of uncertainty are the same as those that were applied to the annual financial statements for the year ended June 30, 2024.

5 OPERATING FIXED ASSETS

		March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
	Note		
Operating fixed assets	5.1	1,553,568,238	1,639,735,312
Right-of-use assets	5.2	133,250,972	150,590,647
		1,686,819,210	1,790,325,959

Quarterly Report

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)**

		March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
5.1	Fixed assets		
	Opening net book value (NBV)	1,639,735,312	1,125,468,794
	Transfer from right of use asset (NBV)	4,736,320	57,345,947
	Transfer from Capital Work in progress	-	591,292,007
	Additions (at cost) during the period / year	5,200,000	8,102,600
		1,649,671,632	1,782,209,348
	Disposals (at NBV) during the period / year	-	(15,751,847)
	Depreciation charged during the period / year	(96,103,394)	(126,722,189)
		(96,103,394)	(142,474,036)
	Closing net book value (NBV)	1,553,568,238	1,639,735,312
5.2	Right-of-use assets		
	Opening net book value (NBV)	150,590,647	65,540,321
	Additions (at cost) during the period / year	-	23,620,293
	Transfer from capital work in process	-	133,690,727
	Transfer from leased assets to own assets (NBV)	(4,736,320)	(57,345,947)
	Depreciation charged during the period / year	(12,603,355)	(14,914,747)
		133,250,972	150,590,647
6	INVESTMENT IN EQUITY ACCOUNTED ASSOCIATE		
	Investment in equity accounted associate	6.1	-
6.1	Premier Insurance Limited		
	69,621 shares of Rs. 10 each (June 30, 2024 : 69,621 shares of Rs.10/- each)		
	Cost of investment	930	930
	Accumulated share of post acquisition profit - net of dividend received	88,077	88,077
	Accumulated impairment	(89,007)	(89,007)
	Share of loss for the period / year	-	-
		(930)	(930)
		-	-
	Market value of investment in equity accounted associate was Rs. 0.382 million (June 30, 2024: Rs. 0.411 million).		
7	LONG TERM INVESTMENTS		
	Fair value through other comprehensive income		
	Listed Equity Securities		
	Cost	35,538,619	35,538,619
	Unrealized gain on revaluation of investments	19,662,732	34,198,262
		55,201,351	69,736,881
8	STOCK IN TRADE		
	Raw material in hand	72,043,490	489,070,787
	Work-in-process	126,268,750	85,381,195
	Finished goods	8.1	96,882,753
		295,194,993	698,249,075
8.1	Impairment loss on finished goods		
	Cost	102,956,052	123,797,093
	Less: impairment loss	(6,073,299)	-
	Net realizable value	96,882,753	123,797,093

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)**

		March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
9	TRADE DEBTS		
	Unsecured - considered good		
	Due from associated companies	9.1	-
	Others	1,065,546,575	1,163,953,033
		1,065,546,575	1,167,185,282
	Considered doubtful	186,817,764	166,069,150
		1,252,364,339	1,333,254,432
	Less: Allowance for expected credit loss	9.2	(186,817,764)
		1,065,546,575	1,167,185,282

9.1 This represents due from Suraj Cotton Mills Limited, an associated company.

9.2 Allowance for expected credit loss

Opening balance	166,069,150	98,588,659
Written-off during the period / year	-	-
Allowance recognized during the period / year	20,748,614	67,480,491
Closing balance	186,817,764	166,069,150

10 CASH AND BANK BALANCES

Cash in hand	6,520,962	205,291
Cash with banks	-	-
Current accounts	76,593,600	12,597,118
PLS saving accounts	34,241,040	48,762,784
	110,834,640	61,359,902
Islamic current accounts	1,354,907	948,679
	118,710,509	62,513,872

10.1 The balance in savings accounts carry profit at average rates ranging of 19.00% per annum (June 30, 2024: at average rate of 20.50% per annum).

11 ASSETS CLASSIFIED AS HELD FOR SALE

Investment property classified as held for sale	11.1	2,538,897,200	2,538,897,200
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11.1 The Board of Directors earlier, in their meeting decided to sale the investment property located at Nishatabad, Faisalabad. Accordingly, the stated assets were re-classified as assets held for sale. However, due to depressed economic conditions, the availability of prospective buyers offering desired prices remain restricted and factory assets cannot be sold during the year despite the efforts of the management of the Company. Therefore, the Board of Directors in their meeting, dated February 9, 2024, re-validate its decision to sale the property and approved the same by passing special resolution in their Extra Ordinary General Meeting dated March 09, 2024.

Quarterly Report

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

		March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
12	LONG TERM FINANCING		
	Secured		
	Conventional mode	575,519,665	309,543,035
	Less: Current portion shown under current liabilities	(111,928,214)	(74,094,110)
		<u>463,591,451</u>	<u>235,448,925</u>
13	LEASE LIABILITIES		
	Lease liabilities	146,273,294	165,155,048
	Less: current portion	(30,412,146)	(29,486,271)
		<u>115,861,148</u>	<u>135,668,777</u>
	Maturity analysis-contractual discounted cash flow:		
	Less than one year	30,412,146	29,486,271
	One to five years	115,861,148	135,668,777
	Total discounted lease liability	<u>146,273,294</u>	<u>165,155,048</u>
13.1	When measuring the lease liabilities, the Company discounted the lease payments using financing rates ranging from 17.52 % to 23.03% (June 30, 2024: 21.61% to 28.27%) per annum.		
14	DEFERRED CAPITAL GRANT		
	Deferred government grant against	104,441,306	118,282,077
	Temporary Economic Refinance Facility		
	Less: Current portion of government grant	(19,820,339)	(18,888,644)
		<u>84,620,967</u>	<u>99,393,433</u>
14.1	Following is the movement in capital grant during the period / year:		
	Opening balance	118,282,077	137,289,317
	Addition during the period	-	-
	Amortised during the period	(13,840,771)	(19,007,240)
	Closing balance	<u>104,441,306</u>	<u>118,282,077</u>
14.2	This represents government grant recognized on long term financing facilities obtained under Temporary Economic Refinance (TERF) schemes of State Bank of Pakistan.		
15	TRADE AND OTHER PAYABLES		
	Creditors	448,500,948	516,343,787
	Accrued liabilities	576,909,636	590,562,181
	Contractual liability	46,396,769	73,090,735
	Payable to Provident Fund	3,733,328	8,876,236
	Due to related party	99,688,554	86,997,889
	Withholding tax payable	15,183,063	6,272,577
	Workers' Welfare Fund	46,079,959	46,079,959
	Provision for default surcharge	1,137,423	1,137,423
	GIDC payable	229,778,482	229,778,482
	Minimum tax - levy	47,376,818	79,286,707
	Other liabilities	7,528,853	9,430,448
		<u>1,522,313,833</u>	<u>1,647,856,424</u>
15.1	This includes balance amounting to Rs. 21.147 million (June 30, 2024: Rs. 9.102 million) due to an associated company.		
15.2	This includes the amount payable in respect of Gas Infrastructure Development Cess (GIDC) levied under GIDC Act, 2015. In November 2020, the Supreme Court dismissed the review petition seeking review of its order issued in favor of recovery for GIDC arrears. Accordingly, the Company is paying GIDC installments as per monthly billing by Sui Northern Gas Pipeline Limited (SNGPL), however, the matter with respect to GIDC billing by Sui Southern Gas Company (SSGC) is under litigation in High Court of Sindh. The liability is recognized as per the guidelines issued by Institute of Chartered Accountants of Pakistan dated January 21, 2021.		
15.3	This includes due to Chief Executive Officer, Directors and other related party amounting to Rs. 40.842 million (June 30, 2024: Rs.36.002 million), Rs. 15.820 million (June 30, 2024: Rs. 13.320 million), Rs. 43.025 million (June 30, 2024: Rs. 37.675 million) and respectively. These balances do not carry any interest and are repayable on demand.		



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

		March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
16	SHORT TERM BORROWINGS		
	Islamic mode		
	National Bank of Pakistan	75,000,000	75,000,000
	Conventional mode		
	Muslim Commercial Bank	-	391,941,591
	JS Bank Limited	245,151,092	-
	Standard Chartered Bank	-	19,295,409
		320,151,092	486,237,000

17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

The contingencies are same as disclosed in preceding annual financial statements for the year ended June 30, 2024.

17.2 Commitments

The commitments are same as disclosed in preceding annual financial statements for the year ended June 30, 2024.

18 COST OF SALES

	Nine months ended		Quarter ended	
	March 31, 2025	March 31, 2024 (Un-audited)	March 31, 2025	March 31, 2024
	----- Rupees -----			
Materials consumed	2,259,178,855	3,957,378,671	454,068,736	1,101,152,315
Stores, spares and loose tools consumed	55,275,920	92,409,347	8,926,863	29,546,660
Packing material consumed	39,783,999	73,474,621	9,339,471	20,526,611
Salaries, wages and other benefits	363,334,607	412,658,888	98,629,504	136,613,317
Fuel and power	667,324,959	981,547,486	151,447,258	328,438,473
Insurance	17,337,051	18,579,188	5,607,719	6,090,234
Repairs and maintenance	4,463,613	7,990,484	1,758,911	747,459
Depreciation	100,400,487	92,322,802	33,466,829	36,352,394
Other manufacturing overheads	21,878,634	28,330,038	5,791,151	8,113,928
	3,528,978,125	5,664,691,525	769,036,442	1,667,581,391
Opening work in process	85,381,195	129,395,154	104,044,349	118,262,198
Closing work in process	(126,268,750)	(58,191,220)	(126,268,750)	(58,191,220)
	(40,887,555)	71,203,934	(22,224,401)	60,070,978
Cost of goods manufactured	3,488,090,570	5,735,895,459	746,812,041	1,727,652,369
Cost of goods purchased for trading	387,802,440	-	-	-
Opening stock of finished goods	123,797,092	100,284,792	197,728,948	180,132,589
Closing stock of finished goods	(96,882,753)	(109,449,182)	(96,882,753)	(109,449,182)
	26,914,339	(9,164,390)	100,846,195	70,683,407
	3,902,807,349	5,726,731,069	847,658,236	1,798,335,776

19 LEVY

	Nine months ended		Quarter ended	
	March 31, 2025	March 31, 2024 (Un-audited)	March 31, 2025	March 31, 2024
Income tax levy under IFRIC 21/IAS 37	47,376,818	85,575,242	10,418,821	35,108,242

20 TAXATION

Current	-	-	-	-
Prior	(3,157,337)	(1,156,096)	-	-
	(3,157,337)	(1,156,096)	-	-
Deferred	(34,528,554)	(86,299,456)	(9,500,000)	(2,005,143)
	(37,685,891)	(87,455,552)	(9,500,000)	(2,005,143)

21 LOSS PER SHARE - BASIC AND DILUTED

Loss for the period (Rupees)	(468,702,589)	(400,376,102)	(107,190,105)	(293,160,261)
Weighted average number of ordinary shares	12,417,876	12,417,876	12,417,876	12,417,876
Loss per share - basic and diluted (Rupees)	(37.74)	(32.24)	(8.63)	(23.61)

Quarterly Report

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

Note	March 31, 2025 (Un-audited) Rupees	March 31, 2024 (Un-audited) Rupees
22 CASH GENERATED FROM OPERATIONS		
Loss before taxation	(459,011,662)	(402,256,412)
Adjustment for non-cash charges and other items:		
Depreciation	108,706,749	103,280,523
Amortization	1,636,086	1,636,088
Gain on disposal of operating fixed assets	-	(27,348,152)
Grant income	(13,840,771)	(6,467,327)
Financial charges	166,718,935	201,747,999
Allowance for expected credit loss	20,748,614	18,173,773
	283,969,613	291,022,904
Profit before working capital changes	(175,042,049)	(111,233,508)
Working capital changes	22.1 415,088,148	431,846,188
	240,046,099	320,612,680

22.1 Working capital changes

(Increase) / decrease in current assets:		
Stores, spares and loose tools	12,696,324	(2,403,784)
Stock in trade	403,054,082	24,460,305
Trade debts	80,890,093	335,542,794
Loans and advances	3,149,578	(26,052,651)
Trade deposits and short term prepayments	(16,542,460)	(7,978,849)
Other receivables	(4,226,977)	108,784
Tax refunds due from the Government	29,700,210	(52,326,170)
	508,720,850	271,350,429
(Decrease) / increase in current liabilities		
Trade and other payables	(93,632,702)	160,495,759
	415,088,148	431,846,188

23 TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise the companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of directors of the company. Detail of transactions with related parties during the period, other than disclosed elsewhere in the unconsolidated financial statements, are as follows:

23.1 Transactions during the period

Relation with the company	Nature of transaction	Name of the related party	Nine months ended		Quarter ended	
			March 31,	March 31,	March 31,	March 31,
			2025	2024	2025	2024
			(Un-audited)			
----- Rupees -----						
Associated companies	Sales of goods and services	Suraj Cotton Mills Limited	-	172,772,414	-	85,158,004
	Insurance premium	Premier Insurance Limited	30,470,187	28,057,575	-	129,850
	Rent received	Amil Exports (Pvt) Limited	777,384	706,761	259,128	235,587
Retirement benefit plans	Contribution to staff retirement benefit plans	Provident Fund	14,763,980	15,704,612	4,761,566	5,703,613
Director	Rent paid	Mr. Imran Maqbool	675,000	675,000	225,000	225,000
	Rent paid	Mr. Humayun Maqbool	675,000	675,000	225,000	225,000
Others	Rent paid	Mrs. Khawar Maqbool	1,935,000	1,935,000	645,000	645,000
Chief executive	Remuneration and benefits	Mr. Imran Maqbool	9,958,753	10,092,083	3,216,251	3,364,028
Director	Remuneration and benefits	Mr. Humayun Maqbool	10,298,753	10,364,487	3,216,251	3,304,317
Key management personnel	Remuneration and benefits	Key management personnel	26,229,529	25,321,379	8,743,176	9,139,352

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2025 (UN-AUDITED)

	March 31, 2025 (Un-audited) Rupees	June 30, 2024 (Audited) Rupees
23.2 Period / year end balances		
Receivable from associated company - Suraj Cotton Mills Limited	-	3,232,249
Payable to associated company - Premier Insurance Limited	21,146,944	9,102,399
Payable to provident fund	3,733,328	8,876,236
Due to Chief Executive, Directors and close relative	99,688,554	86,997,889

24 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited financial statements for the year ended June 30, 2024.

25 FAIR VALUE MEASUREMENT - FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

As of the reporting date, except for the long term investments, none of the Company's financial instruments are carried at its fair value.

During the period, there have been no transfers between levels of fair value hierarchy used in measuring the fair value of financial instruments.

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values.

26 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, there were no major reclassifications during the nine months ended.

27 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on April 30, 2025 by the Board of Directors of the Company.


IMRAN MAQBOOL
Chief Executive Officer


HUMAYUN MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer



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