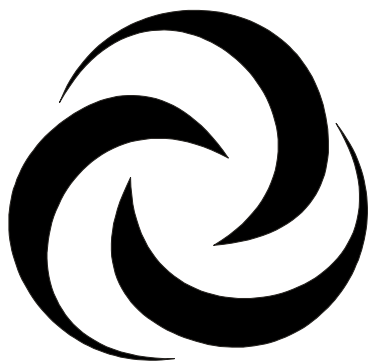


CRESCENT COTTON MILLS LIMITED



CONDENSED INTERIM FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023
(UN-AUDITED)

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Taimur Amjad
(Chairman)

Mr. Abid Mehmood
(Chief Executive Officer)

DIRECTORS (In alphabetical order)

Mr. Adnan Amjad
Mr. Naveed Gulzar
Ms. Nazish Arshad
Mr. Salman Rafi
Mrs. Shameen Azfar

AUDIT COMMITTEE

Mr. Salman Rafi (Chairman)
Mr. Adnan Amjad (Member)
Mr. Taimur Amjad (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mrs. Shameen Azfar (Chairman)
Mr. Adnan Amjad (Member)
Ms. Nazish Arshad (Member)

COMPANY SECRETARY

Mr. Sami Ullah

BANKERS

National Bank of Pakistan

AUDITORS

Riaz Ahmad & Compnay
Chartered Accountants

COMPANY REGISTRAR

Vision Consulting Limited.
5-C, LDA Flats, 1st Floor,
Lawrance Road, Lahore.
Ph: 042-36283096-7

URL

www.crescentcotton.com

DIRECTORS' REVIEW TO THE SHAREHOLDERS

Dear Members,

The directors of your company present to you the condensed interim financial information for the first quarter ended September 30, 2023. During the period under review, your company has earned a pre-tax profit of Rs. 91.999 Million as compared to pre-tax profit of Rs. 32.064 Million in the comparative period of last year.

Total sales revenue of the company for the first quarter stood at Rs. 1,830.895 Million, whereas, the turnover figures during the same period in year 2022 was Rs. 1,547.445 Million. The cost of sales in the period under review stood at 89.29% whereas up to September 30, 2022 it was around 90.67%.

In spite of the hardships being faced by the textile industry during the period under review, the management of the company is continuously striving hard for better results.

Future Prospectus

The economic distress on account of policy tightening, flood impacts, import curtailment, coupled with political uncertainty has hampered the wheel of the Pakistan economy. A significant development for the Pakistan Textile Industry is the early cotton arrivals this year with better quality. The global economy is predicted to pick up some momentum as inflationary pressures, supply chain constraints are gradually easing. Although challenges are high but we are committed to perform in best possible manner by making strong efforts to sustain our cost through maximum capacity utilization, cost rationalization and effective procurement strategy.

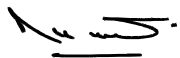
The textile sector is expected to face ongoing economic challenges, including high interest rates, depreciation of the exchange rate, elevated power tariffs, rising raw material costs, and the suspension of the zero-rating status in the fiscal year 2024. Due to the rising local cotton prices, the devaluation of the Pakistani Rupee, delays in shipments, and increased working capital requirements for textile exporters, the export-oriented textile industry is grappling with a liquidity crunch. The current political scenario, coupled with dwindling foreign exchange reserves, is severely impacting the textile sector. Delays in opening letters of credit for raw materials and the sluggish retirement of documents are significantly disrupting raw material inventory levels, hindering the smooth operation of mills, and increasing the overall cost of doing business. Adding to these challenges, the State Bank of Pakistan has raised policy rates to an unprecedented 22%, marking the highest rate in Pakistan's history. While the disbursement of installment by the IMF has somewhat alleviated rumors of a default by Pakistan, the nation still finds itself in a precarious and challenging situation, making it difficult to secure its financial stability. The ongoing conflict between Russia and Ukraine poses a persistent threat to the global economy, significantly dampening economic activity worldwide. In light of sluggish demand, a high inflation rate, and rising interest rates, economists and institutions alike are forecasting a substantial slowdown in global growth for the year 2024 with no major recovery expected.

Your company management is closely watching the impending recession and the cotton outlook and is focusing efforts on minimizing cost by enhancing capacity, improving efficiencies to achieve the favorable financial results in the remaining period of the financial year.

Acknowledgment

The Directors wish to express their gratitude to our valued clients, bankers and shareholders for the cooperation extended by them during the course of business activities. The Directors also wish to place on record their appreciation for the hard work and devoted services of the staff members and workers of the company.

For and on behalf of
the Board of Directors



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

FAISALABAD
October 30, 2023



NAVEED GULZAR
DIRECTOR

حصص یافتگان کے لیے ڈائریکٹرز کا جائزہ

عزیز ممبران!

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2023 کو مختصر پیمانی سے ماہی کے لیے نمونہ عبوری مالی معلومات آپ کی خدمت میں پیش کرتے ہیں۔ زیر جائزہ مدت کے دوران آپ کی کمپنی نے 91.999 ملین روپے کا قبل از ٹیکس منافع حاصل کیا ہے جبکہ گزشتہ سال کی اسی مدت میں کمپنی کا قبل از ٹیکس منافع 32.064 ملین روپے تھا۔

جبکہ ماہی کے لیے کمپنی کی کل فروخت کی آمدنی 1,830.895 ملین روپے رہی جبکہ سال 2022ء میں اسی مدت کے دوران ٹرن اوور کی رقم 1,547.445 ملین روپے تھی۔ زیر جائزہ مدت میں فروخت کی لاگت 89.29 فیصد رہی جبکہ 30 ستمبر 2022ء تک یہ 90.67 فیصد کے لگ بھگ تھی۔ زیر جائزہ مدت کے دوران ٹیکسٹائل کو درپیش مشکلات کے باوجود کمپنی کی انتظامیہ بہتر نتائج کے لیے مسلسل کوششیں کر رہی ہے۔

مستقبل کے امکانات:

پالیسیوں میں سختی، سلاب کے اثرات، درآمدات میں کمی اور سیاسی غیر یقینی کی وجہ سے معاشی بدعالی نے پاکستان کی معیشت کا پھیر روک دیا ہے۔ پاکستان ٹیکسٹائل انڈسٹری کے لیے ایک اہم پیش رفت اس سال بہتر کواٹری کے ساتھ کپاس کی ابتدائی آمد ہے۔ عالمی معیشت میں کچھ تیزی آنے کی پیش گوئی کی گئی ہے کیونکہ افراط زر کے ڈھانچے پھیلنے کی بجائے چین کی رکاوٹیں بتدریج کم ہو رہی ہیں۔ اگرچہ چیلنجز بہت زیادہ ہیں لیکن ہم زیادہ سے زیادہ صلاحیت کے استعمال، لاگت کو معقول بنانے اور خریداری کی موثر حکمت عملی کے ذریعے اپنی لاگت کو برقرار رکھنے کے لیے بھرپور کوششیں کرتے ہوئے بہترین کارکردگی کا مظاہرہ کرنے کے لیے پرعزم ہیں۔

توقع ہے کہ ٹیکسٹائل کے شعبے کو جاری اقتصادی چیلنجوں کا سامنا کرنا پڑے گا، جن میں شرح سود، شرح مبادلہ کی قدر میں کمی، بجلی کے نرخوں میں اضافہ، خام مال کی بڑھتی ہوئی قیمتیں اور مالی سال 2024 میں زیرو پینٹنگ کی حیثیت کی معطلی شامل ہیں۔ کپاس کی بڑھتی ہوئی مقامی قیمتوں، پاکستانی روپے کی قدر میں کمی، ترسیل میں تاخیر اور ٹیکسٹائل کے برآمد کنندگان کے لیے ورکنگ کپینٹل کی بڑھتی ہوئی ضروریات کی وجہ سے برآمد برقی ٹیکسٹائل انڈسٹری لیکویڈٹی کی کمی سے دوچار ہے۔ موجودہ سیاسی منظر نامے کے ساتھ ساتھ کم ہونے والے مبادلہ کے ذخائر ٹیکسٹائل کے شعبے کو بری طرح متاثر کر رہے ہیں۔ خام مال کے لیے اہل سی کھولنے میں تاخیر اور دستاویزات میں سست روی، خام مال کی انوینٹری کی سطحوں میں نمایاں طور پر خلل ڈال رہی ہے، ملوں کے ہموار آپریشن میں رکاوٹ پیدا کر رہی ہے اور کاروبار کرنے کی مجموعی لاگت میں اضافہ کر رہی ہے۔ ان چیلنجوں میں اضافہ کرتے ہوئے، اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کو غیر معمولی 22 فیصد تک بڑھا دیا ہے، جو پاکستان کی تاریخ کی بلند ترین شرح ہے۔ اگرچہ آئی ایم ایف کی جانب سے قسطوں کی ادائیگی نے پاکستان کے ڈیفیٹس کی افواہوں کو کسی حد تک ختم کر دیا ہے، لیکن قوم اب بھی خود کو ایک نازک اور چیلنجنگ صورتحال میں پاتی ہے، جس سے اس کے مالی استحکام کو محفوظ رکھنا مشکل ہو جاتا ہے۔ روں اور یوکریں کے درمیان جاری تنازعہ عالمی معیشت کے لیے ایک مستقل خطرہ ہے، جس سے پوری دنیا میں اقتصادی سرگرمیاں نمایاں طور پر متاثر ہو رہی ہیں۔ سست مانگ، مہنگائی کی بلند شرح اور بڑھتی ہوئی شرح سود کی روشنی میں، ماہرین اقتصادیات اور ادارے یکساں طور پر سال 2024 کے لیے عالمی نمو میں خاطر خواہ کمی کی پیش گوئی کر رہے ہیں جس کی کوئی بڑی بحالی کی توقع نہیں ہے۔

آپ کی کمپنی کی انتظامیہ آنے والی کساد بازاری اور کپاس کے منظر نامے پر گہری نظر رکھے ہوئے ہے اور مالی سال کی بقیہ مدت میں سازگار مالیاتی نتائج حاصل کرنے کے لیے صلاحیت کو بڑھا کر، استعداد کار کو بہتر بنا کر لاگت کو کم کرنے کی کوششوں پر توجہ مرکوز کر رہی ہے۔

اعتراف:

ڈائریکٹرز اپنے قابل قدر گاہکوں، بینکرز اور حصص یافتگان سے کاروباری سرگرمیوں کے دوران ان کے تعاون پر اظہار تشکر کرتے ہیں۔ ڈائریکٹرز کمپنی کے کارکنوں اور سٹاف ممبرز کی محنت اور لگن پر انہیں خراج تحسین بھی پیش کرتے ہیں۔

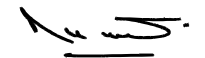
مخائب

بورڈ آف ڈائریکٹرز



نوید گلزار ڈائریکٹر

فیصل آباد
130 اکتوبر 2023ء



عابد محمود چیف ایگزیکٹو آفیسر

CRESCENT COTTON
UNCONSOLIDATED CONDENSED INTERIM STATEMENT
(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	30 September 2023	30 June 2023

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2023: 30 000 000)
ordinary shares of Rupees 10 each

300,000	300,000
----------------	---------

Issued, subscribed and paid up share capital Reserves

226,601	226,601
5,938,741	5,875,484

Total equity

6,165,342	6,102,085
------------------	-----------

LIABILITIES

NON-CURRENT LIABILITIES

Long term financing
Deferred liabilities

37,748	54,493
113,887	98,386
151,635	152,879

CURRENT LIABILITIES

Trade and other payables
Unclaimed dividend
Accrued markup
Short term borrowings
Current portion of long term financing
Provision for taxation

1,076,056	1,173,209
4,177	4,177
33,481	18,541
925,156	560,605
60,768	119,785
103,976	79,750
2,203,614	1,956,067

TOTAL LIABILITIES

2,355,249	2,108,946
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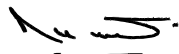
CONTINGENCIES AND COMMITMENTS

5

TOTAL EQUITY AND LIABILITIES

8,520,591	8,211,031
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The annexed notes form an integral part of this condensed interim financial information.



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

MILLS LIMITED
OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023
(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	30 September 2023	30 June 2023

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment 6 **5,601,237** 5,619,469
Investment properties **292,263** 292,263
Long term investments 7 **8,829** 8,264
Long term deposits **3,383** 3,383
Long term advances - 124
Deferred income tax asset **52,217** 52,217

5,957,929 5,975,720

CURRENT ASSETS

Stores, spare parts and loose tools **65,271** 72,557
Stock in trade **871,244** 636,156
Trade debts **599,847** 477,143
Loans, advances and prepayments **66,262** 54,932
Other receivables **538,334** 569,003
Income tax **254,342** 244,513
Short term investments 8 **126,288** 131,369
Cash and bank balances **41,074** 49,638
2,562,662 2,235,311

TOTAL ASSETS

8,520,591 8,211,031



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
	NOTE	30 September 2023	30 September 2022
SALES		1,830,895	1,547,445
COST OF SALES	9	(1,634,910)	(1,403,159)
GROSS PROFIT		195,985	144,286
DISTRIBUTION COST		(19,682)	(41,495)
ADMINISTRATIVE EXPENSES		(64,055)	(52,680)
OTHER OPERATING EXPENSES		(4,842)	(1,041)
		(88,579)	(95,216)
		107,406	49,070
OTHER OPERATING INCOME	10	12,829	9,455
PROFIT/(LOSS) FROM OPERATIONS		120,235	58,525
FINANCE COST		(28,236)	(26,461)
PROFIT/(LOSS) BEFORE TAXATION		91,999	32,064
TAXATION		(24,226)	(19,710)
PROFIT/(LOSS) AFTER TAXATION		67,773	12,354
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES):		2.99	0.55

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
		30 September 2023	30 September 2022
PROFIT/(LOSS) AFTER TAXATION		67,773	12,354
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss:			
Surplus/(deficit) on remeasurement of available for sale investments		(4,516)	(7,384)
Other comprehensive income for the period		(4,516)	(7,384)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		63,257	4,970

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



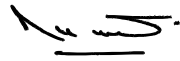
SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)**

(RUPEES IN THOUSAND)

	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	CAPITAL RESERVES				Sub Total	REVENUE RESERVES			Sub Total	TOTAL EQUITY
				Fair value reserve available for sale investments	Fair value reserve of investments at FVTOCI	Reserve for issue of bonus shares	Surplus on revaluation of freehold land		General reserve	Dividend equalization	(Accumulated loss) / Unappropriated profit		
Balance as at 30 June 2022 - Audited	226,601	5,496	12,000	-	86,738	-	4,283,308	4,387,542	100,988	-	658,855	759,843	5,373,986
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the first quarter ended 30 September 2022	-	-	-	-	-	-	-	-	-	-	12,354	12,354	12,354
Other comprehensive income for the first quarter ended 30 September 2022	-	-	-	-	(7,384)	-	-	(7,384)	-	-	-	-	(7,384)
Total comprehensive income for the first quarter ended 30 September 2022	-	-	-	-	(7,384)	-	-	(7,384)	-	-	12,354	12,354	4,970
Balance as at 30 September 2022 - Un-audited	226,601	5,496	12,000	-	79,354	-	4,283,308	4,380,158	100,988	-	671,209	772,197	5,378,956
Profit for the next three quarters ended 30 June 2023	-	-	-	-	-	-	-	-	-	-	96,617	96,617	96,617
Other comprehensive income for the next three quarters ended 30 June 2023	-	-	-	-	(16,397)	-	642,909	626,512	-	-	-	-	626,512
Total comprehensive income for the next three quarters ended 30 June 2023	-	-	-	-	(16,397)	-	642,909	626,512	-	-	96,617	96,617	723,129
Balance as at 30 June 2023 - Audited	226,601	5,496	12,000	-	62,957	-	4,926,217	5,006,670	100,988	-	767,826	868,814	6,102,085
Profit/(Loss) for the first quarter ended 30 September 2023	-	-	-	-	-	-	-	-	-	-	67,773	67,773	67,773
Other comprehensive income for the first quarter ended 30 September 2023	-	-	-	-	(4,516)	-	-	(4,516)	-	-	-	-	(4,516)
Total comprehensive income for the first quarter ended 30 September 2023	-	-	-	-	(4,516)	-	-	(4,516)	-	-	67,773	67,773	63,257
Balance as at 30 September 2023 - Un-audited	226,601	5,496	12,000	-	58,441	-	4,926,217	5,002,154	100,988	-	835,599	936,587	6,165,342

The annexed noted form an integral part of this condensed interim financial information.



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
 FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

	NOTE	(RUPEES IN THOUSAND)	
		30 September 2023	30 September 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilized in) / generated from operations	11	(348,870)	79,655
Finance cost paid		(13,296)	(22,423)
Staff retirement gratuity paid		15,501	(6,919)
Income tax paid		(9,829)	(5,457)
Long term deposits		124	156
Net cash (utilized in) / generated from operating activities		(356,370)	45,012
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		-	-
Proceeds from sale of property, plant and equipment		-	-
Equity investments acquired		-	-
Proceeds from sale of investments		-	-
Net cash from investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(16,745)	(25,941)
Long term financing acquired		-	-
Short term borrowings - net		364,551	(20,750)
Net cash (used in) / from financing activities		347,806	(46,691)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(8,564)	(1,679)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		49,638	43,637
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		41,074	41,958

The annexed noted form an integral part of this condensed interim financial information.



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED
SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Cotton Mills Limited 'the Company' is a public limited company incorporated in March 1959 in Pakistan under the provisions of Companies Act, 1913 (Now Companies Act, 2017). Shares of the Company are quoted on Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit. The registered office of the Company is situated at New Lahore Road, Nishatabad, Faisalabad.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to shareholders as required by section 237 of the Companies Act, 2017. This condensed interim financial information of the Company for the first quarter ended 30 September 2023 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 Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2023.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

5. CONTINGENCIES AND COMMITMENTS

Contingencies:

- Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 3.700 million (30 June 2023: Rupees 3.700 million). The Company, being aggrieved, has filed appeals with the Honourable High Court and Supreme Court of Pakistan which are still pending. No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

- The Company filed a suit against Crescent Fibres Limited for the recovery of Rupees 23.000 million (30 June 2023: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. No provision against doubtful receivables has been made in this condensed interim financial information as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

- Guarantees of Rupees 62.864 million (30 June 2023: Rupees 62.864 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited, Sui Southern Gas Pipelines Limited and Lahore Electric Supply Company Limited against gas and electricity connections.

- Cheques of Rupees 32.485 million (30 June 2023: Rupees 32.485 million) are issued to Nazir of Sindh High Court as security against impugned gas rate difference suit. If the outcome of the suit comes against the company, cheques issued as security shall be encashable.

Commitments:

- Letters of credit for capital expenditure are Nil (30 June 2023: Rupees Nil).

- Letters of credit for other than capital expenditure are Rupees Nil (30 June 2023: Rupees Nil).

(RUPEES IN THOUSAND)

UN-AUDITED 30 September 2023	AUDITED 30 June 2023
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6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	5,601,237	5,619,469
Capital work-in-progress	-	-
	<u>5,601,237</u>	<u>5,619,469</u>

6.1 Operating fixed assets

Opening book value	5,619,469	5,051,753
Add : Effects on revaluation	-	642,909
Add : Cost of additions during the period / year (Note 6.1.1)	-	4,789
	<u>5,619,469</u>	<u>5,699,451</u>

Less:

Book value of deletions during the period / year (Note 6.1.2)	-	337
Depreciation charged during the period / year	18,232	79,645

18,232 79,982

Book value at the end of the period / year	<u>5,601,237</u>	<u>5,619,469</u>
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6.1.1 Cost of additions during the period / year

Vehicles	-	4,789
	-	4,789
	<u> </u>	<u> </u>

6.1.2 Book value of deletions during the period / year

Plant and machinery	-	203
Vehicles	-	134
	-	337
	<u> </u>	<u> </u>

(RUPEES IN THOUSAND)

UN-AUDITED 30 September 2023	AUDITED 30 June 2023
------------------------------------	----------------------------

7. LONG TERM INVESTMENTS

Equity investments

Quoted - Associated companies	502	502
Quoted - Others	616	616
Unquoted - Others	2,784	2,784
	3,902	3,902
Less: Impairment loss charged to profit and loss account	-	-
Add: Fair value adjustment	4,927	4,362
	8,829	8,264

8. SHORT TERM INVESTMENTS – Available for sale

Quoted - Others	71,449	71,449
	71,449	71,449
Add: Fair value adjustment	54,839	59,920
	126,288	131,369

(UN-AUDITED)

30 September 2023	30 September 2022
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(RUPEES IN THOUSAND)

9. COST OF SALES

Raw material consumed	1,112,338	1,035,868
Salaries, wages and other benefits	106,067	80,310
Stores, spare parts and loose tools consumed	74,171	62,423
Fuel and power	489,352	261,132
Outside weaving charges	60,705	8,254
Other manufacturing overheads	8,597	7,546
Insurance	6,262	2,895
Repair and maintenance	3,414	1,113
Depreciation	17,461	19,405
	1,878,367	1,478,946
Work-in-process:		
Opening stock	66,011	77,012
Closing stock	(85,330)	(66,386)
	(19,319)	10,626
Cost of goods manufactured	1,859,048	1,489,572
Finished goods:		
Opening stock	341,006	264,109
Closing stock	(590,233)	(350,522)
	(249,227)	(86,413)
	1,609,821	1,403,159
Cost of goods - purchased for resale	25,089	-
	1,634,910	1,403,159

(UN-AUDITED)

30 September 2023	30 September 2022
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(RUPEES IN THOUSAND)

10. OTHER OPERATING INCOME

Exchange gain	676	676
Rental income	8,400	8,400
Scrape sales	207	207
Amortization of deferred grant	172	172
	9,455	9,455

11. CASH UTILIZED IN OPERATIONS

Profit before taxation	91,999	32,064
Adjustments for non-cash charges and other items:		
Depreciation	18,232	20,292
Provision for staff retirement gratuity	-	11,881
Finance cost	28,236	26,461
Working capital changes (Note 11.1)	(487,337)	(11,043)
	(348,870)	79,655

11.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	7,286	15,914
Stock in trade	(235,088)	45,564
Trade debts	(122,704)	110,604
Loans and advances	(11,330)	(64,925)
Other receivables	30,669	32,993
	(331,167)	140,150

(Decrease) / increase in trade and other payables

	(156,170)	(151,193)
	(487,337)	(11,043)

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary company, associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties are as follows:

DESCRIPTION	(UN-AUDITED)	
	QUARTER ENDED	
	30 September 2023	30 September 2022
	(RUPEES IN THOUSAND)	
i) Transactions		
Subsidiary company		
Expenses paid	-	6
Raw material purchased	72,257	29,880
Associated companies		
Service charges	10,548	4,851

13. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

14. DATE OF AUTHORIZATION

This condensed interim financial information was approved and authorized for issue on October 30, 2023 by the Board of Directors of the Company.

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

16. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER
ENDED 30 SEPTEMBER 2023
(UN-AUDITED)

CRESCENT COTTON MILLS

CONSOLIDATED CONDENSED INTERIM STATEMENT

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September	30 June
2023	2023

NOTE

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2023: 30 000 000)
ordinary shares of Rupees 10 each

300,000 300,000

Issued, subscribed and paid up share capital

226,601 226,601

Reserves

6,456,109 6,410,128

Total equity

6,682,710 6,636,729

LIABILITIES

NON-CURRENT LIABILITIES

Long term financing

37,748 54,493

Deferred liabilities

117,791 100,726

155,539 155,219

CURRENT LIABILITIES

Trade and other payables

1,078,536 1,181,068

Unclaimed dividend

4,177 4,177

Accrued markup

33,481 18,541

Short term borrowings

973,699 560,605

Current portion of long term financing

60,768 119,785

Provision for taxation

112,607 87,171

2,263,268 1,971,347

TOTAL LIABILITIES

2,418,807 2,126,566

CONTINGENCIES AND COMMITMENTS

5

TOTAL EQUITY AND LIABILITIES

9,101,517 8,763,295

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

LIMITED AND ITS SUBSIDIARY

OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September	30 June
2023	2023

NOTE

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment

6 **5,627,094** 5,646,537

Investment properties

650,091 650,091

Long term investments

7 **7,511** 7,265

Long term deposits

4,241 3,905

Long term advances

- 124

Deferred income tax - asset

52,574 52,574

6,341,511 6,360,496

CURRENT ASSETS

Stores, spare parts and loose tools

65,271 72,557

Stock in trade

883,625 665,626

Trade debts

602,851 477,453

Loans, advances and prepayments

95,468 58,269

Short term deposits and other receivables

558,855 581,545

Income tax

267,687 254,287

Short term investments

8 **126,288** 131,487

Cash and bank balances

159,961 161,575

2,760,006 2,402,799

TOTAL ASSETS

9,101,517 8,763,295



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
NOTE	30 September 2023	30 September 2022	
	1,855,407	1,600,020	
SALES			
	(1,659,670)	(1,458,891)	
COST OF SALES			
	195,737	141,129	
GROSS PROFIT			
	(19,808)	(41,634)	
DISTRIBUTION COST			
	(75,901)	(61,034)	
ADMINISTRATIVE EXPENSES			
	(4,842)	(1,041)	
OTHER OPERATING EXPENSES			
	95,186	37,420	
OTHER OPERATING INCOME			
	18,148	13,413	
(LOSS)/PROFIT FROM OPERATIONS			
	113,334	50,833	
FINANCE COST			
	(32,099)	(27,088)	
	81,235	23,745	
SHARE OF PROFIT / (LOSS) FROM ASSOCIATED COMPANIES			
	(229)	294	
PROFIT/(LOSS) BEFORE TAXATION			
	81,006	24,039	
TAXATION			
	(25,436)	(20,742)	
PROFIT / (LOSS) AFTER TAXATION FROM			
	55,570	3,297	
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES):			
	2.45	0.15	

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


ABID MEHMOOD
CHIEF EXECUTIVE OFFICER


NAVEED GULZAR
DIRECTOR


SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
	30 September 2023	30 September 2022	
	55,570	3,297	
PROFIT/(LOSS) AFTER TAXATION			
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified to profit or loss	-	-	
Items that may be reclassified subsequently to profit or loss:			
Surplus / (deficit) on remeasurement of available for sale investments	(9,589)	(7,377)	
Other comprehensive income / (loss) for the period	(9,589)	(7,377)	
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	45,981	(4,080)	

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


ABID MEHMOOD
CHIEF EXECUTIVE OFFICER


NAVEED GULZAR
DIRECTOR

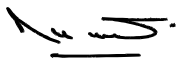

SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)**

(RUPEES IN THOUSAND)

	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	CAPITAL RESERVES			General reserve	Share of associates reserve	REVENUE RESERVES		TOTAL EQUITY
				Fair value reserve of investments at FVTOCI	Surplus on revaluation of freehold land	Sub Total			(Accumulated loss) / Unappropriated profit	Sub Total	
Balance as at 30 June 2022 - Audited	226,601	5,496	12,000	15,761	4,283,308	4,316,565	44,975	5,126	1,272,035	1,326,136	5,869,302
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Share of items of associates directly credited in equity	-	-	-	-	-	-	-	-	-	-	-
Reclassification on loss of significant influence	-	-	-	-	-	-	-	-	-	-	-
Loss for the first quarter ended 30 September 2022	-	-	-	-	-	-	-	-	3,297	3,297	3,297
Other comprehensive income for the first quarter ended 30 September 2022	-	-	-	(7,377)	-	(7,377)	-	-	-	-	(7,377)
Total comprehensive income for the first quarter ended 30 September 2022	-	-	-	(7,377)	-	(7,377)	-	-	3,297	3,297	(4,080)
Balance as at 30 September 2022 - Unaudited	226,601	5,496	12,000	8,384	4,283,308	4,309,188	48,975	5,126	1,275,332	1,329,433	5,865,222
Loss for the next three quarters ended 30 June 2023	-	-	-	-	-	-	-	-	141,672	141,672	141,672
Other comprehensive income for the next three quarters ended 30 June 2023	-	-	-	(13,163)	642,909	629,746	-	89	-	89	629,835
Total comprehensive income for the next two quarters ended 30 June 2023	-	-	-	(13,163)	642,909	629,746	-	89	141,672	141,761	771,507
Balance as at 30 June 2023 - Audited	226,601	5,496	12,000	(4,779)	4,926,217	4,938,934	48,975	5,215	1,417,004	1,471,194	6,636,729
Loss for the first quarter ended 30 September 2023	-	-	-	-	-	-	-	-	55,570	55,570	55,570
Other comprehensive income for the first quarter ended 30 September 2023	-	-	-	(9,589)	-	(9,589)	-	-	-	-	(9,589)
Total comprehensive income for the first quarter ended 30 September 2023	-	-	-	(9,589)	-	(9,589)	-	-	55,570	55,570	45,981
Balance as at 30 September 2023 - Un-audited	226,601	5,496	12,000	(14,368)	4,926,217	4,929,345	48,975	5,215	1,472,574	1,526,764	6,682,710

The annexed noted form an integral part of this condensed interim financial information.



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER



CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
NOTE	30 September 2023	30 September 2022	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilized in) / generated from operations	11	(384,021)	64,689
Finance cost paid		(17,159)	(23,050)
Staff retirement gratuity paid		17,065	(6,919)
Income tax paid		(13,400)	(6,989)
Long term deposits		(336)	(56)
		(13,830)	(37,014)
Net cash (utilized in) / generated from operating activities		(397,851)	27,675
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(112)	-
Proceeds from sale of property, plant and equipment		-	-
Equity investments acquired		-	-
Proceeds from sale of investments		-	-
Net cash from investing activities		(112)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(16,745)	(25,941)
Long term financing acquired		-	-
Short term borrowings - net		413,094	(7,750)
Net cash (used in) / from financing activities		396,349	(33,691)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(1,614)	(6,016)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		161,575	162,724
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		159,961	156,708

The annexed noted form an integral part of this condensed interim financial information.

ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

NAVEED GULZAR
DIRECTOR

SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023 (UN-AUDITED)

1. THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

Crescent Cotton Mills Limited

Subsidiary Company

Crescot Mills Limited

Crescent Cotton Mills Limited

Crescent Cotton Mills Limited (formerly Crescent Sugar Mills and Distillery Limited) 'the Company' is a public limited company incorporated in March 1959 in Pakistan under the provisions of Companies Act, 1913 (Now Companies Act, 2017). Shares of the Company are quoted on Pakistan Stock Exchange in Pakistan. The Company is engaged in manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit. The registered office of the Company is located at New Lahore Road, Nishatabad, Faisalabad.

Crescot Mills Limited

Crescot Mills Limited (CML) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017). It is a subsidiary of CCML due to 66.15% equity holding. The registered office CML is situated at Office No. 408, Plot No. 26-A, Block No. 6, P.E.C.H.S. Shahrah-e-Faisal, Karachi, Sindh. However its books of account are being maintained at the registered office of CCML at New Lahore Road, Nishatabad, Faisalabad, Punjab. CML was previously engaged in manufacturing and sale of yarn. However from the current year, it has started business of trading of raw materials of textiles.

A special resolution was passed in the general meeting of the members on 28 September 1998 authorizing the Board of Directors to dispose of the plant and machinery of the CML. CML has ceased all production activities since August 1998 and has disposed of entire plant and machinery and investment properties during the previous years. However from the current financial year, the management of CML decided to start its business of trading raw materials of textiles. Moreover it has also started to make investments in mutual funds / shares and also started investing in real estate activities. The management of CML is now fully optimistic to carry on above-mentioned business activities and CML will operate as a going concern again.

2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange. This consolidated condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting" and International Accounting Standard-27 "Consolidated and Separate Financial Statements" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017 have been followed. This consolidated condensed interim financial information should be read in conjunction with the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2023.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

3.1 The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as applied in the preparation of preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2023.

3.2 Basis of consolidation

a) Subsidiary

Subsidiary Company is that entity in which Holding Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The condensed interim financial information of the Subsidiary Company is included in the consolidated condensed interim financial information from the date control commences until the date that control ceases.

The assets and liabilities of Subsidiary Company have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Company.

Intragroup balances and transactions have been eliminated.

Proportionate share of accumulated losses relating to the non-controlling interest is more than their respective share capital. Therefore, losses in excess of share capital of non-controlling interest are absorbed by the Group.

B) Associates

Associates are the entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights or by way of common directorship. Investments in these associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associate includes goodwill identified on acquisition, net of accumulated impairment loss, if any.

The Group's share of its associate's post-acquisition profits or losses, movement in other comprehensive income, and its share of post-acquisition movements in reserves is recognized in the consolidated profit and loss account, consolidated statement of comprehensive income and reserves respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Distributions received from an associate reduce the carrying amount of the investment.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2023.

5. CONTINGENCIES AND COMMITMENTS

Contingencies:

Holding Company

- Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 3.700 million (30 June 2023: Rupees 3.700 million). The Company, being aggrieved, has filed appeals with the Honourable High Court and with Supreme Court of Pakistan which are still pending. No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.
- The Holding Company filed a suit against Crescent Fibres Limited for the recovery of Rupees 23.000 million (30 June 2023: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. No provision against doubtful receivables has been made in this condensed interim financial information as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.
- Letters of guarantee of Rupees 62.864 million (30 June 2023: Rupees 62.864 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited, Sui Southern Gas Company Limited and Lahore Electric Supply Company Limited against gas and electricity connections.
- Cheques of Rupees 32.485 million (30 June 2023: Rupees 32.485 million) are issued to Nazir of Sindh High Court as security against impugned gas rate difference suit. If the outcome of the suit comes against the company, cheques issued as security shall be encashable.

Subsidiary Company

- Sindh High Court, Karachi made decision on 04 June 2021 about the levy of Sindh Infrastructure Cess, against which the Company was contingently liable for Rupees 7.550 million although guarantees were submitted by the Company's Bank for the same amount. Against the decision, the Company lodged a constitution petition No. 11267 / 2021 dated 21 October 2021, in Supreme Court of Pakistan (SCP). Thereafter, on 10 November 2021, SCP allowed the petition, suspended the judgement of Sindh High Court, Karachi and leave to appeal was granted. However, the case is not yet fixed for hearing by SCP. On advice of legal counsel, in view of possible favorable outcome, no provision is accounted for in these consolidated financial statements.

Commitments:

- Letters of credit for capital expenditure are Rupees Nil (30 June 2023: Rupees Nil).
- Letters of credit for other than capital expenditure are Rupees Nil (30 June 2023: Rupees 14.355 million).

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September	30 June
2023	2023

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	5,627,094	5,646,537
Capital work-in-progress	-	-
	<u>5,627,094</u>	<u>5,646,537</u>

6.1 Operating fixed assets

Opening book value	5,646,537	5,071,133
Add : Effects on surplus on revaluation	-	642,909
Add : Cost of additions during the period / year (Note 6.1.1)	112	25,009
	<u>5,646,649</u>	<u>5,739,051</u>

Less:

Book value of deletions during the period / year (Note 6.1.2)	-	9,378
Transfer to investment properties	-	-
Depreciation charged during the period / year	19,555	83,136
	<u>19,555</u>	<u>92,514</u>
Book value at the end of the period / year	<u>5,627,094</u>	<u>5,646,537</u>

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September	30 June
2023	2023

6.1.1 Cost of additions during the period / year

Vehicles	-	24,967
Office equipment	112	42
	<u>112</u>	<u>25,009</u>

6.1.2 Book value of deletions during the period / year

Plant & machinery	-	203
Vehicles	-	9,175
	<u>-</u>	<u>9,378</u>

7. LONG TERM INVESTMENTS

In associates:

Cost	502	502
Share of post acquisition profit:		
At the beginning of the period / year	3,098	3,098
Share of profit/(loss) during the period / year	(229)	(315)
Share of other comprehensive (loss)/income	-	89
	<u>2,869</u>	<u>2,872</u>
	<u>3,371</u>	<u>3,374</u>

Available for sale:

Quoted - Others	616	616
Unquoted - Others	1,158	1,158
	<u>1,774</u>	<u>1,774</u>
Add : Deposit for shares	-	-
Add : Fair value adjustment	2,366	2,117
	<u>4,140</u>	<u>3,891</u>

7.1 The investments in associates were not acquired for disposal purposes, therefore equity method of accounting has been applied and as per the requirement of IAS 28 the same have been shown under long term investments. In addition paragraph 2 (B)(d) of Part II of the Fourth Schedule to the Companies Act, 2017 requires that the investments accounted for under equity method should be classified as long term investments.

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September 2023	30 June 2023

8. SHORT TERM INVESTMENTS – Available for sale

Quoted - Others	138,243	138,243
Add: At fair value through profit or loss	-	118
Add: Fair value adjustment	(11,955)	(6,874)
	126,288	131,487

(UN-AUDITED)

30 September 2023	30 September 2022
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(RUPEES IN THOUSAND)

9. COST OF SALES

Raw material consumed	1,137,098	1,091,600
Salaries, wages and other benefits	106,067	80,310
Stores, spare parts and loose tools consumed	74,171	62,423
Fuel and power	489,352	261,132
Outside weaving charges	60,705	8,254
Other manufacturing overheads	8,597	7,546
Insurance	6,262	2,895
Repair and maintenance	3,414	1,113
Depreciation	17,461	19,405
	1,903,127	1,534,678
Work-in-process:		
Opening stock	66,011	77,012
Closing stock	(85,330)	(66,386)
	(19,319)	10,626
Cost of goods manufactured	1,883,808	1,545,304
Finished goods:		
Opening stock	341,006	264,109
Closing stock	(590,233)	(350,522)
	(249,227)	(86,413)
	1,634,581	1,458,891
Cost of goods purchased	25,089	-
	1,659,670	1,458,891

(UN-AUDITED)

30 September 2023	30 September 2022
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(RUPEES IN THOUSAND)

10. OTHER OPERATING INCOME

Exchange gain	3,241	676
Interest on deposit accounts	5,319	3,941
Rental income	9,588	8,400
Scrap sale	-	224
Amortization of deferred grant	-	172
	18,148	13,413

11. CASH UTILIZED IN OPERATIONS

Profit before taxation	81,006	24,039
Adjustments for non-cash charges and other items:		
Depreciation	19,555	21,219
Provision for staff retirement gratuity	-	12,293
Share of (profit) / loss from associated companies	(229)	94
Finance cost	32,099	27,088
Working capital changes (Note 11.1)	(516,452)	(20,044)
	(384,021)	64,689

11.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	7,286	15,914
Stock in trade	(217,999)	16,575
Trade debts	(125,398)	107,467
Loans and advances	(37,199)	(50,744)
Deposits, prepayments and other receivables	22,690	19,578
	(350,620)	108,790
(Decrease) / increase in trade and other payables	(165,832)	(128,834)
	(516,452)	(20,044)

**12. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties are as follows:

DESCRIPTION	UN-AUDITED	
	QUARTER ENDED	
	30 September 2023	30 September 2022
(RUPEES IN THOUSAND)		

i) Transactions**Associated companies**

Service charges	10,548	4,851
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13. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2022.

14. DATE OF AUTHORIZATION

This consolidated condensed interim financial information was approved and authorized for issue on October 30, 2023 by the Board of Directors of the Group.

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim statement of financial position and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

16. GENERAL

'Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

NAVEED GULZAR
DIRECTOR

SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER



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