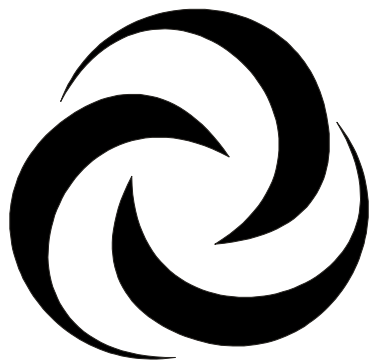


CRESCENT COTTON MILLS LIMITED



UNCONSOLIDATED
CONDENSED INTERIM FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
THIRD QUARTER ENDED 31 MARCH 2022
(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.
3-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 third quarter and nine months ended March 31, 2022. During the period under review, your company has earned a pre-tax profit of Rs. 350.744 Million as compared to pre-tax profit of Rs. 265.710 Million in the comparative period of last year.

Total sales revenue of the company for the third quarter stood at Rs. 5,229.533 Million, whereas, the turnover figures during the same period in year 2021 was Rs. 3,682.019 Million. The cost of sales in the period under review stood at 87.03% whereas up to March 31, 2021 it was around 86.29%.

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.

Overview

Pakistan's textile industry performed very well in the first half of the financial year 2021-22 despite increase in cotton and polyester fiber prices, shutdown in gas supply, increase in RLNG rate, disruption in global supply chain and adverse impact of depreciation of Pak Rupee against USD on imported raw materials. Exports significantly increased during the current nine months in comparison to export in the corresponding nine months. Covid-19 vaccination process showed positive results and world economy came out of crises as lockdowns across the world ended. Demand of textile products increased substantially from U.S. and European markets during this period due to which most of the textile units were able to utilize their full capacities. Textile exports grew both in volume and value. Depreciation of PKR against USD also contributed towards increase in export sales.

Despite an increase of almost 30% in local raw cotton output, the country continues to face a shortage of domestic raw materials. The requirements of the textile spinning industry have increased due to full operations and expansion, due to which a significant quantity of raw cotton will have to be imported. This will result in maintaining pressure on the exchange rate. We understand the government in contemplating steps to increase our cotton production and we can only hope that they succeed. For the remainder of the year we remain optimistic but with a note of caution. There are severe cost push pressures with a rising trend in the agricultural complex as well as oil and gas. The industry will be forced to pay higher prices for energy for balance of the current financial year. Uncertainty remains with exchange parity of Pak rupee as well as the direction taken by the central bank to reduce inflation.

The company is closely watching the cotton outlook to procure cotton at minimum rates and is focusing efforts on minimizing cost by enhancing capacity, improving efficiencies to achieve the favorable financial results of current financial year

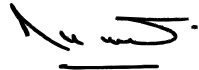
Acknowledgement

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
For and on behalf of
the Board of Directors



NAHEED GULZAR
DIRECTOR



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

FAISALABAD
April 29, 2022

حصص یافتگان کے لیے ڈائریکٹرز کا جائزہ

عزیز ممبران!

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2022ء کو مختصر تیسری سہ ماہی اور نو ماہی کے لیے مختصر عبوری مالی معلومات آپ کی خدمت میں پیش کرتے ہیں۔ زیر جائزہ مدت کے دوران آپ کی کمپنی نے 350.744 ملین روپے کا قبل از ٹیکس منافع حاصل کیا جبکہ گزشتہ سال کی اسی مدت میں کمپنی کا قبل از ٹیکس منافع 265.710 ملین روپے تھا۔

تیسری سہ ماہی کے لیے کمپنی کی کل فروخت کی آمدنی 5,229.533 ملین روپے رہی جبکہ سال 2021ء میں اسی مدت کے دوران ٹرن اوور کی رقم 3,682.019 ملین روپے تھی۔ زیر جائزہ مدت میں فروخت کی لاگت 87.03 فیصد رہی جبکہ 31 مارچ 2021ء تک یہ 86.29 فیصد کے لگ بھگ تھی۔ زیر جائزہ مدت کے دوران ٹیکسٹائل کی صنعت کو درپیش مشکلات کے باوجود کمپنی کی انتظامیہ بہتر نتائج کے لیے مسلسل کوشاں ہے۔

حسابہ:

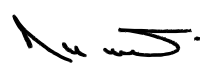
پاکستان کی ٹیکسٹائل انڈسٹری نے مالی سال 2021-22 کی پہلی ششماہی میں کپاس اور پولیستر فائبر کی قیمتوں میں اضافے، ٹیکس کی سپلائی میں بندش، آرائیل این جی کی شرح میں اضافے، عالمی سپلائی چین میں رکاوٹ اور درآمد شدہ خام مال پر ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی کے منفی اثرات کے باوجود بہت اچھی کارکردگی کا مظاہرہ کیا۔ گزشتہ سال کی اسی نو ماہی کی برآمدات کے مقابلے میں موجودہ نو ماہی کے دوران برآمدات میں نمایاں اضافہ ہوا ہے۔ کوویڈ 19 کی ویکسی نیشن کے عمل نے مثبت نتائج دکھائے اور دنیا بھر میں لاک ڈاؤن ختم ہونے کے بعد عالمی معیشت بحرانوں سے باہر نکل آئی۔ اس عرصے کے دوران امریکی اور یورپی منڈیوں سے ٹیکسٹائل مصنوعات کی مانگ میں خاطر خواہ اضافہ ہوا جس کی وجہ سے زیادہ تر ٹیکسٹائل یونٹس اپنی پوری صلاحیت کو بروئے کار لارنے میں کامیاب رہے۔ ٹیکسٹائل کی برآمدات حجم اور قدر دونوں میں بڑھیں۔ امریکی ڈالر کے مقابلے میں پاکستانی روپیہ کی قدر میں کمی نے بھی برآمدی فروخت میں اضافے میں اہم کردار ادا کیا۔

مقامی خام کپاس کی پیداوار میں تقریباً 30 فیصد اضافے کے باوجود ملک کو مقامی خام مال کی کمی کا سامنا کرنا پڑ رہا ہے۔ ٹیکسٹائل اسپننگ انڈسٹری کی ضروریات پوری طرح سے کام کرنے اور توسیع کے باعث بڑھ گئی ہیں جس کی وجہ سے خام کپاس کی ایک خاصی مقدار درآمد کرنا پڑے گی۔ اس کے نتیجے میں تبادلہ کی شرح پر دباؤ برقرار رہے گا۔ ہم حکومت کا اپنی کپاس کی پیداوار بڑھانے کے اقدامات پر غور کرنے سے بخوبی واقف ہیں اور ہم صرف امید کر سکتے ہیں کہ وہ کامیاب ہو جائیں گے۔ سال کے بقیہ حصے کے لیے ہم محتاط انداز میں پر امید ہیں۔ زرعی پیچیدگیوں کے ساتھ ساتھ تیل اور گیس میں بڑھتے ہوئے رجحان کے ساتھ لاگت کے شدید دباؤ ہیں۔ صنعت رواں مالی سال کے توازن کے لیے توانائی کی زیادہ قیمتیں ادا کرنے پر مجبور ہوگی۔ پاک روپے کے تبادلہ جاتی توازن کے ساتھ ساتھ مرکزی بینک کی جانب سے افراط زر کو کم کرنے کے لیے کی جانے والی ہدایت پر بھی غیر یقینی صورتحال برقرار ہے۔ کمپنی کپاس کی کم سے کم نرخوں پر خریداری کے لئے کپاس کے نقطہ نظر کو قریب سے دیکھ رہی ہے اور موجودہ مالی سال کے سازگار مالیاتی نتائج حاصل کرنے کے لیے صلاحیت میں اضافے اور استعداد کو بہتر بنا کر لاگت کو کم کرنے پر توجہ مرکوز کر رہی ہے۔

اعتراف:

ڈائریکٹرز اپنے قابل قدر صارفین، بینکرز اور حصص یافتگان سے کاروباری سرگرمیوں کے دوران 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۔

منجانب
بورڈ آف ڈائریکٹرز



عابد محمود
چیف ایگزیکٹو آفیسر

فیصل آباد

29 اپریل 2022ء



نوید گلزار ڈائریکٹر

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF

	NOTE	UN-AUDITED	AUDITED
		31 March 2022	30 June 2021
(RUPEES IN THOUSAND)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 30 000 000 (30 June 2021: 30 000 000) ordinary shares of Rupees 10 each		<u>300,000</u>	<u>300,000</u>
Issued, subscribed and paid up share capital		226,601	226,601
Capital reserves			
Surplus on revaluation of freehold land and investment properties		4,136,711	4,136,711
Other capital reserves		125,769	147,267
		<u>4,262,480</u>	<u>4,283,978</u>
Revenue reserves		798,058	513,050
TOTAL EQUITY		<u>5,287,139</u>	<u>5,023,629</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	3	129,349	203,742
Employees' retirement benefit		150,802	141,054
Deferred liabilities		1,350	8,147
		<u>281,501</u>	<u>352,943</u>
CURRENT LIABILITIES			
Trade and other payables		945,000	678,321
Unclaimed dividend		3,971	3,971
Accrued mark-up		30,582	11,623
Short term borrowings		1,053,220	368,704
Current portion of non-current liabilities		103,305	175,510
Provision for taxation		143,325	75,853
		<u>2,279,403</u>	<u>1,313,982</u>
TOTAL LIABILITIES		<u>2,560,904</u>	<u>1,666,925</u>
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		<u>7,848,043</u>	<u>6,690,554</u>

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR

FINANCIAL POSITION AS AT 31 MARCH 2022

	NOTE	UN-AUDITED	AUDITED
		31 March 2022	30 June 2021
(RUPEES IN THOUSAND)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,919,398	4,936,183
Investment properties		267,729	267,729
Long term investments		10,301	9,260
Long term deposits		3,383	3,383
Long term advances		-	115
Deferred income tax asset		47,304	47,304
		<u>5,248,115</u>	<u>5,263,974</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		60,525	66,478
Stock-in-trade	6	1,545,610	488,087
Trade debts		244,256	194,519
Loans and advances		33,757	16,121
Short term deposits and prepayments		4,437	3,327
Other receivables		239,945	136,752
Income tax		244,100	197,114
Short term investments		173,984	181,465
Cash and bank balances		53,313	142,717
		<u>2,599,927</u>	<u>1,426,580</u>
TOTAL ASSETS		<u>7,848,043</u>	<u>6,690,554</u>



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)

NOTE	Nine months ended		Quarter ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021

(RUPEES IN THOUSAND)

CONTINUING OPERATIONS:

REVENUE	5,229,533	3,682,019	1,679,334	1,387,530
COST OF SALES	(4,551,451)	(3,177,279)	(1,468,064)	(1,180,534)
GROSS PROFIT	678,082	504,740	211,270	206,996
DISTRIBUTION COST	(128,445)	(46,443)	(36,887)	(8,354)
ADMINISTRATIVE EXPENSES	(144,617)	(123,624)	(42,633)	(40,661)
OTHER EXPENSES	(18,460)	(16,628)	10,096	4,129
OTHER INCOME	34,872	33,196	7,393	7,184
FINANCE COST	(70,688)	(56,884)	(31,128)	(16,378)
PROFIT BEFORE TAXATION	350,744	294,357	118,111	152,916
TAXATION	(67,471)	(47,504)	(31,643)	(32,637)
PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS	283,273	246,853	86,468	120,279
DISCONTINUED OPERATION:				
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION	-	(28,707)	-	(7,577)
PROFIT AFTER TAXATION	283,273	218,146	86,468	112,702
EARNINGS PER SHARE - BASIC AND DILUTED FROM CONTINUING OPERATIONS (RUPEES)	12.50	10.89	3.82	5.31
LOSS PER SHARE - BASIC AND DILUTED FROM DISCONTINUED OPERATION (RUPEES)	-	(1.27)	-	(0.33)

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

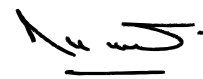
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)

	Nine months ended		Quarter ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021

(RUPEES IN THOUSAND)

PROFIT AFTER TAXATION	283,273	218,146	86,468	112,702
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Surplus / (deficit) arising on remeasurement of investments at fair value through other comprehensive income	(19,763)	29,365	(3,352)	70,136
Deferred income tax relating to investments at fair value through other comprehensive income	-	(147)	1,645	(147)
	(19,763)	29,218	(1,707)	69,989
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income / (loss) for the period - net of tax	(19,763)	29,218	(1,707)	69,989
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	263,510	247,364	84,761	182,691

The annexed notes form an integral part of this unconsolidated 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 NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)**

	CAPITAL RESERVES			REVENUE RESERVES			TOTAL			
	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	Fair value of investments at FVOCI	Surplus on evaluation of investment properties	Sub Total	unappropriated profit	Sub Total		
Balance as at 30 June 2020 - (Audited)	226,601	5,496	12,000	114,105	4,136,711	4,266,312	100,988	202,042	4,470,354	4,696,955
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	(3,009)	-	(3,009)	-	3,009	-	-
Profit for the period	-	-	-	-	-	-	-	218,146	218,146	218,146
Other comprehensive loss for the period	-	-	-	29,218	-	29,218	-	-	-	29,218
Total comprehensive loss for the period	-	-	-	29,218	-	29,218	-	218,146	218,146	247,364
Balance as at 31 March 2021 - (Un-audited)	226,601	5,496	12,000	140,314	4,136,711	4,294,521	100,988	423,197	4,717,718	4,944,319
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	(5,647)	-	(5,647)	-	5,647	5,647	-
Profit for the period	-	-	-	-	-	-	-	103,438	103,438	103,438
Other comprehensive income for the period	-	-	-	(4,896)	-	(4,896)	-	(19,232)	(19,232)	(24,128)
Total comprehensive income for the period	-	-	-	(4,896)	-	(4,896)	-	84,206	84,206	79,310
Balance as at 30 June 2021 - (Audited)	226,601	5,496	12,000	129,771	4,136,711	4,283,978	100,988	412,062	513,050	4,797,028
Gain realized on disposal of equity investment at fair value through other comprehensive income	-	-	-	(1,735)	-	(1,735)	-	1,735	1,735	-
Profit for the period	-	-	-	-	-	-	-	283,273	283,273	283,273
Other comprehensive income for the period	-	-	-	(19,763)	-	(19,763)	-	(19,232)	(19,763)	(19,763)
Total comprehensive income for the period	-	-	-	(19,763)	-	(19,763)	-	283,273	283,273	263,510
Balance as at 31 March 2022 - (Un-audited)	226,601	5,496	12,000	108,273	4,136,711	4,262,480	100,988	697,070	798,058	5,060,538

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)**

	NOTE	(Nine months ended)	
		31 March 2022	31 March 2021
(RUPEES IN THOUSAND)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	8	(516,224)	76,798
Finance cost paid		(51,729)	(61,365)
Employees' retirement benefit paid		(25,420)	(27,511)
Long term deposits		-	(248)
Income tax paid		(46,986)	(62,398)
Long term advances		115	-
Net cash used in operating activities		(640,244)	(74,724)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(47,029)	(138,190)
Proceeds from sale of property, plant and equipment		2,872	1,230
Proceeds from sale of non-current assets held for sale		-	105,411
Investment made		(16,399)	-
Proceeds from sale of investments		3,081	3,607
Net cash used in investing activities		(57,475)	(27,942)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(85,944)	(48,533)
Proceeds from long term financing		9,743	125,978
Short term borrowings - net		684,516	83,146
Net cash from financing activities		608,315	160,591
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(89,404)	57,925
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		142,717	41,668
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		53,313	99,593

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (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 Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at New Lahore Road, Nishatabad, Faisalabad. The Company is engaged in the business of manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also has an embroidery unit.

2. BASIS OF PREPARATION, SIGNIFICANT ACCOUNTING POLICIES AND JUDGEMENTS
2.1 Basis of preparation
a) Statement of compliance

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

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

- Provisions of and directives issued under the Companies Act, 2017.

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

ii) These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2021.

b) Accounting policies and computation methods

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as approved in the preparation of the audited annual financial statements for the year ended 30 June 2020 except as disclosed in Note 2.3 and Note 2.4.

2.2 Critical accounting estimates, judgments and financial risk management

The preparation of these unconsolidated condensed interim financial statements 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, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision of accounting estimates are recognized prospectively commencing from the period of revision.

During preparation of these unconsolidated condensed interim financial statements, 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 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended 30 June 2021.

2.3 Government grants

The benefit of lower interest rate than market rate on borrowings obtained under State Bank of Pakistan (SBP) refinance scheme for payment of salaries and wages to the employees and workers of the Company, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognized and presented as deferred government grant.

In subsequent periods, the grant shall be amortized over the period of loan and amortization shall be recognized in the profit or loss.

2.4 Non-current assets held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

3. LONG TERM FINANCING
Financing from banking company - secured

UN-AUDITED 31 March 2022	AUDITED 30 June 2021
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(RUPEES IN THOUSAND)

Opening balance	307,047	225,539
Add: Obtained during the period / year	9,743	155,205
Add: Amortized during the period / year	1,808	5,019
	318,598	385,763

Less:

Repaid during the period / year	85,944	70,538
Deferred income recognized during the period/year	-	8,178
	85,944	78,716

	232,654	307,047
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Less: Current portion shown under current liabilities

	103,305	103,305
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	129,349	203,742
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4. CONTINGENCIES AND COMMITMENTS
a) Contingencies:

i) Certain additions have been made by the assessing officers in tax years 1993, 2006 and 2010 on various grounds and have created demand of Rupees 5.635 million (30 June 2021: Rupees 5.635 million). The Company, being aggrieved, has filed appeals with Lahore High Court, Lahore and with Supreme Court of Pakistan, which are still pending. Date of the institution of above mentioned appeals were 14 October 2002, 05 September 2016 and 05 April 2017 respectively. No provision has been made in these unconsolidated condensed interim financial statements against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

ii) The Company filed a suit against Crescent Fibres Limited (CFL) for the recovery of Rupees 23.000 million (30 June 2021: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. CFL filed an application seeking rejection of the suit but the said application was dismissed by Civil Court, Lahore. Against this rejection, CFL filed civil revision petition before Lahore High Court, Lahore on 08 October 2016 and under order of Lahore High Court, Lahore, the proceedings before Civil Court, Lahore were stayed. No provision against this receivable has been made in these unconsolidated condensed interim financial statements as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

iii) The Company has filed a suit in Lahore High Court, Lahore dated 15 October 2018 against levy of cotton cess. However the related provision of Rupees 1.696 million (30 June 2021: Rupees 1.696 million) is not accounted for in these condensed interim financial statements as the management is hopeful that the case will be decided in the favour of the Company.

iv) Guarantees of Rupees 69.143 million (30 June 2021: Rupees 87.432 million) are given by the Bank of the Company to Sui Northern Gas Pipelines Limited and Sui Southern Gas Pipelines Limited against gas connections and to Lahore Electric Supply Company Limited against electricity connections.

v) Cheques of Rupees 32.485 million (30 June 2021: 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.

(b): Commitments:

i) There was no commitment in respect of capital expenditure as at 31 March 2022 (30 June 2021: Rupees 5.889 million).

ii) Letters of credit other than for capital expenditure as at 31 March 2022 are of Rupees 22.673 million (30 June 2021: Rupees 103.970 million).

UN-AUDITED	AUDITED
31 March 2022	30 June 2021

(RUPEES IN THOUSAND)

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 5.1)	4,916,448	4,871,119
Capital work-in-progress (Note 5.2)	2,950	65,064
	<u>4,919,398</u>	<u>4,936,183</u>

5.1 Operating fixed assets

Opening book value	4,871,119	4,926,601
Add: Cost of additions during the period / year (Note 5.1.1)	109,143	110,878
	<u>4,980,262</u>	<u>5,037,479</u>

Less:

Book value of deletions during the period / year - vehicles	887	87,323
Transferred to non-current assets held for sale	-	-
	<u>887</u>	<u>87,323</u>

4,979,375 4,950,156

Less: Depreciation charged during the period / year

4,916,448 4,871,119

5.1.1 Cost of additions during the period / year

Buildings and roads	-	126
Plant and machinery	36,495	104,984
Stand-by equipment	68,318	2,607
Electric installations	692	731
Tools and equipment	-	1,857
Vehicles	2,290	91
Furniture and fixtures	1,348	291
Office equipment	-	191
	<u>109,143</u>	<u>110,878</u>

UN-AUDITED	AUDITED
31 March 2022	30 June 2021

(RUPEES IN THOUSAND)

51.2. Book value of deletions during the period / year

Buildings and roads	-	4,661
Plant and machinery	-	76,487
Electric installations	-	3,678
Tools & equipments	-	994
Furniture and fixtures	-	622
Vehicles	887	881
	<u>887</u>	<u>87,323</u>

5.2 Capital work-in-progress

Buildings and roads	760	760
Plant and machinery	2,190	6,806
Stand-by equipment	-	55,208
Advance against purchase of vehicles	-	2,290
	<u>2,950</u>	<u>65,064</u>

6. STOCK-IN-TRADE

Raw materials	1,111,777	295,438
Work-in-process	186,940	30,777
Finished goods	245,581	160,066
Waste	1,312	1,806

Carrying value of non-current assets held for sale

1,545,610 488,087

(Un-audited)

Half year ended		Quarter ended	
31 March 2022	31 March 2021	31 March 2022	31 March 2021

(RUPEES IN THOUSAND)

7. COST OF SALES

Raw materials consumed	3,252,868	2,145,264	1,054,991	884,149
Salaries, wages and other benefits	312,748	253,330	85,407	90,814
Stores, spare parts and loose tools consumed	172,348	104,136	74,328	36,472
Fuel and power	648,230	525,705	229,455	178,124
Outside weaving / other charges	201,438	47,286	32,894	11,086
Other manufacturing overheads	39,027	38,745	2,071	30,063
Insurance	7,729	7,144	2,556	1,552
Repair and maintenance	3,218	4,051	205	1,256
Depreciation	60,696	53,055	20,554	17,695
	4,698,302	3,178,716	1,502,461	1,251,211
Work-in-process				
Opening stock	30,777	26,831	118,154	24,663
Closing stock	(164,632)	(29,279)	(164,632)	(29,279)
	(133,855)	(2,448)	(46,478)	(4,616)
Cost of goods manufactured	4,564,447	3,176,268	1,455,983	1,246,595
Finished goods				
Opening stock	161,872	215,151	267,102	188,013
Closing stock	(85,021)	(49,408)	20,209	(76,546)
	4,479,426	3,126,860	1,476,192	1,170,049
Cost of goods purchased for resale	72,025	50,419	(8,128)	10,485
	4,551,451	3,177,279	1,468,064	1,180,534

UN-AUDITED

31 March 2022	31 March 2021
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(RUPEES IN THOUSAND)

8. CASH USED IN OPERATIONS

Profit before taxation	350,744	265,709
Adjustments for non-cash charges and other items:		
Depreciation	62,927	57,911
Provision for employees' retirement benefit	35,168	28,300
Gain on sale of property, plant and equipment	(1,985)	(1,031)
Gain on sale of non-current assets held for sale	-	(13,766)
Finance cost	70,688	62,979
Gain on remeasurement of deferred liability	(2,237)	(8,474)
Provision for workers' profit participation fund	18,460	13,206
Allowance for expected credit losses	-	1,990
Working capital changes (Note 8.1)	(1,049,989)	(330,026)
	(516,224)	76,798

8.1 Working capital changes**(Increase) / decrease in current assets**

Stores, spare parts and loose tools	5,953	1,152
Stock-in-trade	(1,057,523)	(363,433)
Trade debts	(49,737)	108,620
Loans and advances	(17,636)	(42,444)
Prepayments and balances with statutory authority	(1,110)	21,301
Other receivables	(103,193)	(10,987)
	(1,223,246)	(285,791)
(Decrease) / increase in trade and other payables	173,257	(44,235)
	(1,049,989)	(330,026)

9. SEGMENT INFORMATION - UNCONSOLIDATED
9.1

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	Nine months ended		Nine months ended		Nine months ended		Nine months ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(RUPEES IN THOUSAND)							
Revenue	4,995,134	3,373,150	234,399	308,869	(184,695)	-	5,229,533	3,682,019
External Intersegment	74,519	74,519	-	-	(168,746)	-	-	-
Cost of sales	5,069,653	3,447,669	234,399	308,869	(184,695)	(168,746)	5,229,533	3,682,019
	(4,529,493)	(3,093,056)	(206,653)	(252,969)	184,695	168,746	(4,551,451)	(3,177,279)
Gross profit	540,160	354,613	27,746	55,900	-	-	678,082	504,740
Distribution cost	(115,836)	(28,131)	(12,609)	(18,312)	-	-	(128,445)	(46,443)
Administrative expenses	(144,275)	(123,238)	(342)	(386)	-	-	(144,617)	(123,624)
Other income	34,872	30,743	-	2,453	-	-	34,872	33,196
Finance cost	(69,136)	(53,899)	(1,552)	(2,985)	-	-	(70,688)	(56,884)
Profit before taxation and unallocated expenses	245,785	180,088	13,243	36,670	-	-	369,204	310,985
Unallocated expenses:								
Other expenses							(18,460)	(16,628)
Taxation							(67,471)	(47,504)
Profit after taxation from continued operation							283,273	246,853
Loss after taxation from discontinued operation							-	(28,707)
Profit after taxation							283,273	218,146

CONTINUING OPERATIONS:

Revenue

External Intersegment

Cost of sales

Gross profit

Distribution cost

Administrative expenses

Other income

Finance cost

Profit before taxation and unallocated expenses

Unallocated expenses:

Other expenses

Taxation

Profit after taxation from continued operation

Loss after taxation from discontinued operation

Profit after taxation

9.2 Reconciliation of reportable segment assets and liabilities:

	Textiles		Trading		TOTAL	
	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(RUPEES IN THOUSAND)					
Total assets for reportable segments	6,219,889	6,570,037	35,240	73,213	6,255,129	6,643,250
Unallocated assets:						
Deferred income tax asset					47,304	47,304
Non-current assets held for sale					1,545,610	-
Total assets as per unconsolidated statement of financial position					7,848,043	6,690,554
Total liabilities for reportable segments	2,339,060	1,541,959	78,519	49,113	2,417,579	1,591,072
Unallocated liability:						
Provision for taxation					143,325	75,853
Total liabilities as per unconsolidated statement of financial position					2,560,904	1,666,925

9.3 Geographical information:

The Company's revenue from external customers by geographical location is detailed below:

	Textiles		Trading		TOTAL	
	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(RUPEES IN THOUSAND)					
Africa	-	-	234,399	306,405	234,399	306,405
South America	581,622	-	-	-	581,622	-
North America	111,838	89,317	-	-	111,838	89,317
Pakistan	4,301,674	3,285,297	-	4,917	4,301,674	3,290,214
	4,995,134	3,374,614	234,399	311,322	5,229,533	3,685,936

10. 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 is as follows:

	(Un-audited)			
	Nine months ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(RUPEES IN THOUSAND)			
i) Transactions				
Subsidiary company				
Purchase of goods	34,012	-	6,108	-
Sale of assets	-	7,000	-	7,000
Expenses paid on behalf of subsidiary company	22	72	4	14
Associated company				
Service and accrued charges	12,723	12,398	-	-
Other related parties				
Loans received from / (repaid to) Chief Executive Officer, Directors, Executives and Sponsors - net	(7,915)	(10,810)	(1,438)	(12,629)
Remuneration paid to Chief Executive Officer, Directors and Executives	41,940	52,091	20,970	26,045
ii) Period end balances				
Subsidiary company				
Trade and other payables			4,529	1,117
Associated company				
Trade and other payables			2,206	1,697
Other related parties				
Short term borrowings			286,881	290,671

11. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

11.1 Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these unconsolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

	Level 1	Level 2	Level 3	Total
(RUPEES IN THOUSAND)				
Financial assets - recurring fair value measurement				
At 31 March 2022 - (Un-audited)				
At fair value through other comprehensive income	181,785	-	2,500	184,285
	181,785	-	2,500	184,285
At 30 June 2021 - (Audited)				
At fair value through other comprehensive income	190,221	-	504	190,725
	190,221	-	504	190,725

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

11.2 Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments includes the use of quoted market prices for listed securities.

12. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

	(Un-audited)	(Audited)
	31 March	30 June
	2022	2021

(RUPEES IN THOUSAND)

Shariah compliant bank deposits and bank balances

Bank balances	51,629	26,822
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Loans / advances obtained as per Islamic mode

Advances from customers	77,363	74,066
Short term borrowings	286,881	290,671

	UN-AUDITED	
	31 March	31 March
	2022	2021

(RUPEES IN THOUSAND)

Revenue earned from shariah compliant business	5,229,533	3,685,936
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Exchange (loss)/gain	4,363	3,413
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Gain or dividend earned from shariah compliant investments

Dividend income	1,660	1,649
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Unrealized gain / (loss) on remeasurement of investments measured at FVTOCI	-	(504)
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Profits earned or interest paid on any conventional loan / advance

Mark-up on long term financing	17,455	14,400
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Mark-up on short term borrowings	43,565	43,233
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Relationship with shariah compliant banks

Name	Relationship
Meezan Bank Limited	Bank balances
Faysal Bank Limited	Bank balance
MCB Islamic Bank Limited	Bank balances
Bank Al-Habib Limited	Bank balance
Bank Alfalah Limited	Bank balance

There is no profit earned from shariah compliant bank balances as all the bank balances are in current accounts. Moreover there was no mark-up on Islamic mode of financing as all loans / advances were interest free.

13. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been approved by the Board of Directors of company and authorized for issue on April 29, 2022.


14. CORRESPONDING FIGURES

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

Corresponding figures of unconsolidated condensed interim statement of profit or loss and related notes have been re-arranged due to showing Spinning Unit (Kotri) as discontinued operation. Apart from that, no significant re-arrangements have been made.

15. 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 STATEMENT OF

NOTE	UN-AUDITED	AUDITED
	31 March 2022	30 June 2021
	(RUPEES IN THOUSAND)	

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2021: 30 000 000)
ordinary shares of Rupees 10 each

300,000	300,000
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Issued, subscribed and paid up share capital
Reserves

226,601	226,601
5,557,611	5,278,010

Total equity 5,784,212 5,504,611

LIABILITIES

NON-CURRENT LIABILITIES

Long term financing
Employees' retirement benefits
Deferred liabilities

129,349	203,742
151,966	141,054
1,350	8,147
282,665	352,943

CURRENT LIABILITIES

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

947,894	679,964
3,971	3,971
44,784	25,825
1,058,220	373,704
103,305	175,510
145,865	77,378
2,304,039	1,336,352

TOTAL LIABILITIES **2,586,704** 1,689,295

CONTINGENCIES AND COMMITMENTS 5

TOTAL EQUITY AND LIABILITIES **8,370,916** 7,193,906

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR

FINANCIAL POSITION AS AT 31 MARCH 2022

NOTE	UN-AUDITED	AUDITED
	31 March 2022	30 June 2021
	(RUPEES IN THOUSAND)	

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	6	5,257,677	4,938,760
Investment properties		267,729	267,729
Long term investments	7	9,271	8,438
Long term deposits		5,767	3,905
Long term advances		-	115
Deferred income tax - asset		47,103	47,103
		5,587,547	5,266,050

CURRENT ASSETS

Stores, spare parts and loose tools	93,425	66,478	
Stock in trade	1,545,610	488,087	
Trade debts	244,290	194,519	
Loans and advances	34,360	16,131	
Deposits, prepayments and other receivables	250,698	142,905	
Income tax	251,743	199,098	
Short term investments	8	173,984	181,458
Cash and bank balances		189,259	639,180
		2,783,369	1,927,856

TOTAL ASSETS **8,370,916** 7,193,906



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)

	NOTE	Nine months ended		Quarter ended	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
CONTINUING OPERATIONS :					
(RUPEES IN THOUSAND)					
SALES		5,397,238	3,682,019	1,764,206	1,387,530
COST OF SALES	9	(4,703,897)	(3,177,279)	(1,543,671)	(1,180,534)
GROSS PROFIT		693,341	504,740	220,535	206,996
DISTRIBUTION COST		(128,699)	(46,443)	(36,930)	(8,354)
ADMINISTRATIVE EXPENSES		(157,454)	(123,755)	(47,337)	(40,696)
OTHER OPERATING EXPENSES		(18,460)	(16,628)	10,096	4,129
		(304,613)	(186,826)	(74,171)	(44,921)
		388,728	317,914	146,364	162,075
OTHER OPERATING INCOME		51,802	33,196	9,931	7,184
(LOSS)/PROFIT FROM OPERATIONS		440,530	351,110	156,295	169,259
FINANCE COST		(70,959)	(56,884)	(31,260)	(16,378)
		369,571	294,226	125,035	152,881
SHARE OF PROFIT / (LOSS) FROM ASSOCIATED COMPANIES		(202)	(1,100)	97	38
PROFIT/(LOSS) BEFORE TAXATION		369,369	293,126	125,132	152,919
TAXATION		(70,011)	(47,504)	(32,024)	(32,637)
PROFIT / (LOSS) AFTER TAXATION FROM CONTINUING OPERATION		299,358	245,622	93,108	120,282
DISCONTINUED OPERATION :					
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION		-	(28,707)	-	(7,577)
PROFIT AFTER TAXATION		299,358	216,915	93,108	112,705
EARNINGS PER SHARE - BASIC AND DILUTED FROM CONTINUING OPERATIONS (RUPEES):		13.21	10.84	4.11	5.31
LOSS PER SHARE - BASIC AND DILUTED FROM DISCONTINUED OPERATION (RUPEES):		-	(1.27)	-	(0.33)

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR



SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)

	Nine months ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
(RUPEES IN THOUSAND)				
PROFIT/(LOSS) AFTER TAXATION	299,358	216,915	93,108	112,705
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income of associates	-	-	-	-
Surplus / (deficit) on remeasurement of available for sale investments	(24,353)	13,391	(3,834)	(51,671)
Other comprehensive income / (loss) for the period	(24,353)	13,391	(3,834)	(51,671)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	275,005	230,306	89,274	61,034

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



ABID MEHMOOD
CHIEF EXECUTIVE OFFICER



NAVEED GULZAR
DIRECTOR

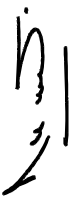


SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)**

	(RUPEES IN THOUSAND)														
	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	Fair value reserve	Capital Reserves	Fair value investments at FVDCI	Reserve for bonus shares	Surplus on land	Sub Total	General Reserve	Dividend equalization	Share of Associate unappropriated profit	Accumulated Total	Sub Total	TOTAL EQUITY
Balance as at 30 June 2020 - Audited	226,601	5,496	12,000	22,257	-	4,136,711	4,176,464	48,975	-	53,442	201,821	304,238	4,707,303	-	-
Gain realized on disposal of equity investment at fair value	-	-	-	(3,009)	-	-	(3,009)	-	-	-	-	3,009	-	-	-
Profit for the nine months ended 31 March 2021	-	-	-	-	-	-	-	-	-	-	-	216,915	216,915	-	-
Other comprehensive income for the nine months ended 31 March 2021	-	-	-	13,391	-	-	13,391	-	-	22,829	28,707	51,536	64,927	-	-
Total comprehensive income for the nine months ended 31 March 2021	-	-	-	13,391	-	-	13,391	-	-	22,829	245,622	268,451	281,842	-	-
Balance as at 31 March 2021 - Unaudited	226,601	5,496	12,000	32,639	-	4,136,711	4,186,846	48,975	-	76,271	450,452	575,698	4,989,145	-	-
Loss for the next half year ended 30 June 2021	-	-	-	-	-	-	-	-	-	-	-	558,474	558,474	-	-
Other comprehensive income for the next half year ended 30 June 2021	-	-	-	28,285	-	-	28,285	-	-	(71,293)	(71,293)	(71,293)	(43,008)	-	-
Total comprehensive income for the next quarter ended 30 June 2021	-	-	-	28,285	-	-	28,285	-	-	(71,293)	558,474	487,181	515,466	-	-
Balance as at 30 June 2021 - Audited	226,601	5,496	12,000	60,924	-	4,136,711	4,215,131	48,975	-	4,978	1,008,926	1,062,879	5,504,611	-	-
Gain realized on disposal of equity investment at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the nine months ended 31 March 2022	-	-	-	(24,353)	-	-	(24,353)	-	-	-	4,596	299,358	299,358	-	-
Other comprehensive income for the nine months ended 31 March 2022	-	-	-	(24,353)	-	-	(24,353)	-	-	-	-	4,596	(19,757)	-	-
Total comprehensive income for the nine months ended 31 March 2022	-	-	-	(24,353)	-	-	(24,353)	-	-	-	4,596	303,954	279,601	-	-
Balance as at 31 March 2022 - Un-audited	226,601	5,496	12,000	36,571	-	4,136,711	4,190,778	48,975	-	9,574	1,308,284	1,366,833	5,784,212	-	-

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

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)**

	NOTE	(Nine months ended)	
		31 March 2022	31 March 2021
(RUPEES IN THOUSAND)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilized in) / generated from operations	10	(533,099)	85,028
Finance cost paid		(52,000)	(61,365)
Staff retirement gratuity paid		(25,420)	(27,511)
Long term deposits		(1,862)	(248)
Income tax paid		(52,645)	(62,398)
Long term advances		115	-
		(131,812)	(151,522)
Net cash (utilized in) / generated from operating activities		(664,911)	(66,494)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(382,879)	(145,190)
Proceeds from sale of property, plant and equipment		2,872	105,411
Investment made		(16,399)	-
Proceeds from sale of investments		3,081	3,607
Net cash from investing activities		(393,325)	(36,172)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(85,944)	(48,533)
Proceeds from long term financing		9,743	125,978
Short term borrowings - net		684,516	83,146
Net cash (used in) / from financing activities		608,315	160,591
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(449,921)	57,925
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		639,180	45,069
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		189,259	102,994

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


ABID MEHMOOD
CHIEF EXECUTIVE OFFICER


NAVEED GULZAR
DIRECTOR


SAMI ULLAH CH.
CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED 31 MARCH 2022 (UN-AUDITED)

1. THE GROUPS AND ITS OPERATIONS

The Group consist 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). CCML holds 66.15% equity of the CML. Principal business of CML was manufacturing and sale of yarn. The mills is located at Sindh Industrial and Trading Estate, Kotri in the Province of Sindh. 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 CML.

CML has ceased all production activities since August 1998 and has disposed of major part of the plant and machinery. The Company has leased out its buildings and other facilities to the Holding Company.

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 2021.

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 2021.

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 2021.

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 5.635 million (30 June 2021: Rupees 5.635 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 2021: 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 69.143 million (30 June 2021: Rupees 87.432 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.

- The Company has filed appeal in Lahore High Court, Lahore, dated 15 October 2018 against the levy of cotton cess. However the related provision of Rupees 1.696 million (30 June 2021: Rupees 1.696 million) is not accounted for in these condensed interim financial statements in view of favorable outcome of the appeal.

- Cheques of Rupees 32.485 million (30 June 2021: 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 of Rs. Nil (30 June 2021: Rupees Nil).

- Letters of credit for other than capital expenditure are of Rupees Nil (30 June 2021: Rupees 103.970 million).

UN-AUDITED 31 March 2022	AUDITED 30 June 2021
(RUPEES IN THOUSAND)	

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	4,919,333	4,873,696
Capital work-in-progress	338,344	65,064
	<u>5,257,677</u>	<u>4,938,760</u>

6.1 Operating fixed assets

Opening book value	4,873,696	4,927,364
Add : Cost of additions during the period / year (Note 6.1.1)	109,599	113,978
	4,983,295	5,041,342

Less:

Book value of deletions during the period / year (Note 6.1.2)	887	83,899
Depreciation charged during the period / year	63,075	79,086
Transferred to investment properties	-	4,661
	63,962	167,646

Book value at the end of the period / year	<u>4,919,333</u>	<u>4,873,696</u>
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UN-AUDITED 31 March 2022	AUDITED 30 June 2021
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(RUPEES IN THOUSAND)

6.1.1 Cost of additions during the period / year

Buildings on free hold land	-	126
Plant and machinery	36,495	104,984
Stand-by equipment	68,544	2,607
Electric installations	692	3,831
Tools and equipments	-	1,857
Furniture and fixtures	1,369	291
Vehicles	2,344	91
Office equipment	155	191
	<u>109,599</u>	<u>113,978</u>

6.2 Book value of deletions during the period / year

Plant and machinery	-	77,064
Electric installations	-	4,252
Tools and equipments	-	1,018
Furniture and fixtures	-	653
Vehicles	887	889
Office equipment	-	23
	<u>887</u>	<u>83,899</u>

7. LONG TERM INVESTMENTS

In associates:

Cost	502	502
Share of post acquisition profit:		
At the beginning of the period / year	3,039	35,330
Share of profit/(loss) during the period / year	(202)	(6,661)
Adjustment of carrying amount	1,018	(25,630)
	3,855	3,039
	4,357	3,541

Available for sale:

Quoted - Others	616	616
Unquoted - Others	1,158	1,158
	1,774	1,774
Less: Impairment loss charged to profit and loss account	-	-
Add: Fair value adjustment	3,140	3,123
	4,914	4,897
	<u>9,271</u>	<u>8,438</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.

UN-AUDITED	AUDITED
31 March 2022	30 June 2021

(RUPEES IN THOUSAND)

8. SHORT TERM INVESTMENTS - Available for sale

Quoted - Others	138,685	123,631
Add : Fair value adjustment	35,299	57,827
	173,984	181,458

(Un-audited)

Nine months ended		Quarter ended	
31 March 2022	31 March 2021	31 March 2022	31 March 2021

(RUPEES IN THOUSAND)

9. COST OF SALES

Raw material consumed	3,218,856	2,145,264	1,048,882	884,149
Salaries, wages and other benefits	312,748	253,330	85,407	90,814
Stores, spare parts and loose tools consumed	172,348	104,136	74,328	36,472
Fuel and power	648,230	525,705	229,455	178,124
Outside weaving charges	201,438	47,286	32,894	11,086
Other manufacturing overheads	39,027	38,745	2,071	30,063
Insurance	7,729	7,144	2,556	1,552
Repair and maintenance	3,218	4,051	205	1,256
Depreciation	60,696	53,055	20,554	17,695

4,664,290 3,178,716 **1,496,352** 1,251,211

Work-in-process:

Opening stock	30,777	26,831	118,154	24,663
Closing stock	(164,632)	(29,279)	(164,632)	(29,279)
	(133,855)	(2,448)	(46,478)	(4,616)

Cost of goods manufactured **4,530,435** 3,176,268 **1,449,874** 1,246,595

Finished goods:

Opening stock	161,872	215,151	267,102	188,013
Closing stock	(246,893)	(264,559)	(246,893)	(264,559)
	(85,021)	(49,408)	20,209	(76,546)
	4,445,414	3,126,860	1,470,083	1,170,049

Cost of goods purchased **258,483** 50,419 **73,588** 10,485
4,703,897 3,177,279 **1,543,671** 1,180,534

UN-AUDITED	
31 March 2022	31 March 2021

(RUPEES IN THOUSAND)

10. CASH UTILIZED IN OPERATIONS

Profit before taxation **369,312** 264,362

Adjustments for non-cash charges and other items:

Depreciation	63,075	95,718
Provision for staff retirement gratuity	36,332	57,911
Gain on sale of property, plant and equipment	(1,985)	(14,797)
Fair value gain on FVTPL investments	-	-
Share of (profit) / loss from associated companies	202	1,100
Finance cost	70,959	62,979
Impairment loss on investments	-	-
Working capital changes (Note 10.1)	(1,070,994)	(382,245)

(533,099) 85,028

10.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(26,947)	1,152
Stock in trade	(1,057,523)	(363,433)
Trade debts	(49,771)	110,610
Loans and advances	(18,229)	(42,444)
Deposits, Prepayments and Other receivables	(107,793)	(64,173)
	(1,260,263)	(358,288)

(Decrease) / increase in trade and other payables **189,269** (23,957)

(1,070,994) (382,245)

11. SEGMENT INFORMATION - CONSOLIDATED

	(UN-AUDITED)							
	Textiles		Trading		Elimination of Inter-segment transactions		CONSOLIDATED	
	Nine months ended	31 March 2021	Nine months ended	31 March 2021	Nine months ended	31 March 2021	Nine months ended	31 March 2021
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(RUPEES IN THOUSAND)							
CONTINUING OPERATIONS								
Sales	5,347,534	3,541,896	234,399	308,869	(184,695)	(168,746)	5,397,238	3,682,019
Cost of sales	(4,681,939)	(3,093,056)	(206,653)	(252,969)	-	168,746	(4,703,897)	(3,177,279)
Gross profit	665,595	448,840	27,746	55,900	-	-	693,341	504,740
Distribution cost	(116,090)	(28,131)	(12,609)	(18,312)	-	-	(128,699)	(46,443)
Administrative expenses	(157,112)	(123,369)	(342)	(386)	-	-	(157,454)	(123,755)
Other operating expenses	(18,460)	(16,628)	-	-	-	-	(18,460)	(16,628)
	(291,662)	(168,128)	(12,951)	(18,698)	-	-	(304,613)	(186,826)
Other operating income	373,933	280,712	14,795	37,202	-	-	388,728	317,914
Profit from operations	51,802	30,743	-	2,453	-	-	51,802	33,196
Finance cost	(69,407)	(53,899)	(1,552)	(2,985)	-	-	(70,959)	(56,884)
Profit/(loss) before taxation and unallocated income and expenses	356,328	257,556	13,243	36,670	-	-	369,571	294,226
Unallocated income and expenses:								
Share of profit / (loss) from associated companies							(202)	(1,100)
Taxation							(70,011)	(47,504)
Loss after taxation from discontinued operation							-	(28,707)
Profit/(loss) after taxation							299,358	216,915

12. TRANSACTIONS WITH RELATED PARTIES

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

(Un-audited)			
Nine months ended		Quarter ended	
31 March 2022	31 March 2021	31 March 2022	31 March 2021

(RUPEES IN THOUSAND)

i) Transactions

Associated companies

Service charges 12,723 12,398 - -

Other related parties

Loans received from/(repaid to) Chief Executive Officer, Directors, Executives and Sponsors - net (7,915) (10,810) (1,438) (12,629)

Remuneration paid to Chief Executive Officer, Directors and Executives 41,940 52,091 20,970 26,045

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 2021.

14. DATE OF AUTHORIZATION

This consolidated condensed interim financial information was approved and authorized for issue on April 29, 2022 by the Board of Directors of the Group.

15. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the unconsolidated condensed interim balance sheet and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim cash flow statement 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.
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