

CRESCENT GROUP



CRESCENT JUTE
PRODUCTS LTD.

**Reviewed Condensed Financial Statements
for the Half Year Ended 31 December 2013**



CRESCENT JUTE
PRODUCTS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Humayun Mazhar (Chairman / Chief Executive Officer)
Executive Director

(In alphabetic order)

Mr. Ahmad Rashid Muhammad Hanif Non-Executive Director
Mr. Khurram Mazhar Karim Executive Director
Mr. Qamar Nawaz Qureshi Non-Executive Director
Mr. Saif Ullah Executive Director
Mr. Shafiq Anwar Non-Executive Director
Syed Raza Abbas Jaffery (Nominee NIT) Independent Director

AUDIT COMMITTEE

Mr. Khurram Mazhar Karim (Chairman) Executive Director
Mr. Ahmad Rashid Muhammad Hanif Non-Executive Director
Mr. Shafiq Anwar Non-Executive Director

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Khurram Mazhar Karim Executive Director
Mr. Ahmad Rashid Muhammad Hanif Non-Executive Director
Mr. Shafiq Anwar Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Saif Ullah

COMPANY SECRETARY

Mr. Shafiq Anwar

HEAD OF INTERNAL AUDIT

Mr. Tahir Hussain

AUDITORS

M/s Riaz Ahmad & Company
Chartered Accountants Faisalabad
Name of Engagement Partner: Mubashar Mehmood

LEGAL ADVISOR

Mr. Shahid Mahmood Baig
Advocate High Court

BANKERS

The Bank of Punjab
Crescent Standard Modaraba
MCB Bank Limited
Bank Alfalah Limited (Islamic Banking)
United Bank Limited
National Bank of Pakistan
Dubai Islamic Bank

REGISTERED OFFICE

306, 3rd Floor, Siddiq Trade Centre,
72-Main Boulevard, Gulberg, Lahore.
Tel: (042) 35787592-93 Fax: (042) 35787594

WORKS

Unit, Jaranwala



CRESCENT JUTE
PRODUCTS LTD.

DIRECTORS REPORT TO THE SHAREHOLDERS

Accounts for the half year ended December 31, 2013 show a profit of Rupees 188.98 million, as compared to loss of Rupees 47.26 million in the corresponding period in 2012. The profit is mainly due to the gain on partial sale of plant and machinery. There has been no production operation during the period under review.

The next phase of closure plan is sale of remaining assets i.e. remaining plant and machinery, land and building. The land sale deal concluded earlier did not materialize as the buyer showed his inability to honor the payment schedule. The remaining machinery has no ready buyers at the moment and it seems like it will be sold as scrap. The sale of building is also subject to sale of remaining machinery and fresh land sale or rental. However, the management is quite confident that significant progress will be made in this regard before June 30, 2014.

The management is also doing due diligence on various business options for the future. Renewable energy, Low cost rural housing development and Corporate Farming seem to be areas of growth in Pakistan and of interest to us.

In the meanwhile, we remain focused on cost controls and every possible effort is being made to curtail and keep the expenses to a minimum level.

For and on behalf of the Board.

(Humayun Mazhar)
Chief Executive Officer

Lahore: February 20, 2014.



**CRESCENT JUTE
PRODUCTS LTD.**

REVIEW REPORT TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of CRESCENT JUTE PRODUCTS LIMITED as at 31 December 2013 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2013 and 31 December 2012 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2013.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended 31 December 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to Note No. 1.1 to the condensed interim financial information, which states that this condensed interim financial information has been prepared on the basis of estimated realizable / settlement values of assets and liabilities respectively in addition to historical cost convention as the company is no longer a going concern for the reasons stated in the aforesaid note. Our report is not qualified in respect of this matter.

RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Mubashar Mehmood

FAISALABAD

Date: February 20, 2014



CRESCENT JUTE
PRODUCTS LTD.

CONDENSED INTERIM BALANCE SHEET

AS AT 31 DECEMBER 2013

NOTE	Un-Audited		Audited	
	31 December 2013		30 June 2013	
	Estimated settlement value	Book value	Estimated settlement value	Book value
	Rupees	Rupees	Rupees	Rupees
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized share capital				
	30 000 000 (30 June 2013: 30 000 000)			
	ordinary shares of Rupees 10 each			
	300,000,000	300,000,000	300,000,000	300,000,000
Issued, subscribed and paid up share capital	237,634,680	237,634,680	237,634,680	237,634,680
Capital reserve	35,767,584	35,767,584	35,767,584	35,767,584
Accumulated loss	(516,890,085)	(516,890,085)	(707,753,254)	(707,753,254)
Total equity	(243,487,821)	(243,487,821)	(434,350,990)	(434,350,990)
Net surplus on estimated realizable/settlement values	246,001,362	-	286,304,547	-
Surplus on revaluation of property, plant and equipment - net of deferred income tax	-	224,167,209	-	250,767,314
Trade and other payables	11,000,387	11,000,387	53,053,888	53,053,888
Accrued mark-up	111,940,267	111,940,267	100,975,894	100,975,894
Borrowings	3 316,308,290	316,308,290	352,375,931	352,375,931
Deferred income tax liability	-	21,834,153	-	35,537,233
Provision for taxation	3,163	3,163	49,293	49,293
CONTINGENCIES AND COMMITMENTS	4			
TOTAL EQUITY AND LIABILITIES	<u>441,765,648</u>	<u>441,765,648</u>	<u>358,408,563</u>	<u>358,408,563</u>
	Un-Audited		Audited	
	31 December 2013		30 June 2013	
	Estimated settlement value	Book value	Estimated settlement value	Book value
	Rupees	Rupees	Rupees	Rupees
ASSETS				
Cash and bank balances	16,227,344	16,227,344	6,921,860	6,921,860
Investments	1,568,068	1,568,068	1,463,130	1,463,130
Other receivables	6,670,042	6,670,042	5,690,883	5,690,883
Prepayments	325,288	325,288	28,170	28,170
Loans and advances	18,789,966	18,789,966	16,378,391	16,378,391
Trade debts	908,615	908,615	618,290	618,290
Stock-in-trade	5 13,378,712	13,378,712	14,822,476	14,822,476
Stores and spare parts	1,949,010	1,949,010	2,917,802	2,917,802
Security deposits	6 120,821,170	120,821,170	991,548	991,548
Property, plant and equipment	7 261,127,433	261,127,433	308,576,013	308,576,013
TOTAL ASSETS	<u>441,765,648</u>	<u>441,765,648</u>	<u>358,408,563</u>	<u>358,408,563</u>

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

Humayun Mazhar
CHIEF EXECUTIVE OFFICER

Khurram Mazhar Karim
DIRECTOR



CRESCENT JUTE
PRODUCTS LTD.

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE HALF YEAR ENDED 31 DECEMBER 2013 (UNAUDITED)

NOTE	Half year ended		Quarter ended	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	Rupees	Rupees	Rupees	Rupees
SALES	5,577,102	7,470,030	3,080,097	7,435,630
COST OF SALES	(6,195,841)	(21,182,023)	(1,075,623)	(14,576,921)
GROSS (LOSS) / PROFIT	(618,739)	(13,711,993)	2,004,474	(7,141,291)
DISTRIBUTION COST	(18,410)	(110,450)	(5,650)	(110,450)
ADMINISTRATIVE EXPENSES	(13,774,304)	(19,503,320)	(5,646,042)	(9,445,798)
OTHER EXPENSES	-	(3,614,931)	-	(3,614,931)
	(13,792,714)	(23,228,701)	(5,651,692)	(13,171,179)
	(14,411,453)	(36,940,694)	(3,647,218)	(20,312,470)
OTHER INCOME	213,461,902	1,313,672	213,461,902	1,271,235
PROFIT / (LOSS) FROM OPERATIONS	199,050,449	(35,627,022)	209,814,684	(19,041,235)
FINANCE COST	(11,036,432)	(13,155,849)	(5,505,659)	(4,075,349)
PROFIT / (LOSS) BEFORE TAXATION	188,014,017	(48,782,871)	204,309,025	(23,116,584)
TAXATION	966,624	1,519,032	295,728	758,463
PROFIT / (LOSS) AFTER TAXATION	188,980,641	(47,263,839)	204,604,753	(22,358,121)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED	7.95	(1.99)	8.61	(0.94)

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

Humayun Mazhar
CHIEF EXECUTIVE OFFICER

Khurram Mazhar Karim
DIRECTOR



CRESCENT JUTE
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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2013 (UNAUDITED)

	Half year ended		Quarter ended	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	Rupees	Rupees	Rupees	Rupees
PROFIT/(LOSS) AFTER TAXATION	188,980,641	(47,263,839)	204,604,753	(22,358,121)
OTHER COMPREHENSIVE INCOME	-	-	-	-
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>188,980,641</u>	<u>(47,263,839)</u>	<u>204,604,753</u>	<u>(22,358,121)</u>

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

Humayun Mazhar
CHIEF EXECUTIVE OFFICER

Khurram Mazhar Karim
DIRECTOR



CRESCENT JUTE
PRODUCTS LTD.

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE HALF YEAR ENDED 31 DECEMBER 2013 (UNAUDITED)

NOTE	Half Year ended	
	31 December 2013	31 December 2012
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (utilized in) / generated from operations	9 (161,799,185)	5,065,048
Finance cost paid	(72,059)	(1,799,593)
Income tax paid	(2,419,484)	(72,550)
NET CASH (UTILIZED IN) / GENERATED FROM OPERATING ACTIVITIES	(164,290,728)	3,192,905
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant & equipment	-	(35,000)
Proceeds from sale of property, plant & equipment	209,663,853	835,000
NET CASH FROM INVESTING ACTIVITIES	209,663,853	800,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings-net	(36,067,641)	(3,783,200)
NET CASH USED IN FINANCING ACTIVITIES	(36,067,641)	(3,783,200)
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,305,484	209,705
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6,921,860	4,137,098
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	16,227,344	4,346,803

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

Humayun Mazhar
CHIEF EXECUTIVE OFFICER

Khurram Mazhar Karim
DIRECTOR



**CRESCENT JUTE
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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2013 (UNAUDITED)

	SHARE CAPITAL	CAPITAL RESERVE Share premium	ACCUMULA- TED LOSS	TOTAL EQUITY
----- (Rupees) -----				
Balance as at 30 June 2012 - Audited	237,634,680	35,767,584	(649,796,687)	(376,394,423)
Transfer from surplus on revaluation of property plant and equipment - net of deferred income tax	-	-	2,824,972	2,824,972
Loss for the half year ended 31 December 2012	-	-	(47,263,839)	(47,263,839)
Other comprehensive income for the half year ended 31 December 2012	-	-	-	-
Total comprehensive loss for the half year ended 31 December 2012	-	-	(47,263,839)	(47,263,839)
Balance as at 31 December 2012 - Un-audited	237,634,680	35,767,584	(694,235,554)	(420,833,290)
Transfer from surplus on revaluation of property plant and equipment - net of deferred income tax	-	-	2,911,893	2,911,893
Loss for the half year ended 30 June 2013	-	-	(16,429,593)	(16,429,593)
Other comprehensive income for the half year ended 30 June 2013	-	-	-	-
Total comprehensive loss for the half year ended 30 June 2013	-	-	(16,429,593)	(16,429,593)
Balance as at 30 June 2013 - Audited	237,634,680	35,767,584	(707,753,254)	(434,350,990)
Transfer from surplus on revaluation of property plant and equipment - net of deferred income tax	-	-	1,882,528	1,882,528
Profit for the half year ended 31 December 2013	-	-	188,980,641	188,980,641
Other comprehensive income for the half year ended 31 December 2013	-	-	-	-
Total comprehensive income for the half year ended 31 December 2013	-	-	188,980,641	188,980,641
Balance as at 31 December 2013 - Un-audited	237,634,680	35,767,584	(516,890,085)	(243,487,821)

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

Humayun Mazhar
CHIEF EXECUTIVE OFFICER

Khurram Mazhar Karim
DIRECTOR



CRESCENT JUTE
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SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 31 DECEMBER 2013 (UNAUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Jute Products Limited is a public limited company incorporated on 19 September 1964 under the Companies Act, 1913 (Now Companies Ordinance, 1984) and listed on all stock exchanges in Pakistan. Its registered office is situated at 306, 3rd Floor, Siddiq Trade Centre, Gulberg, Lahore. The Company is engaged in manufacturing and sale of jute products including jute bags.

1.1 Going concern assumption

Shortage of working capital and reduction in demand of finished goods resulted in the closure of Company's operations since 02 May 2011. The Company in its Annual General Meeting on 31 October 2011 has decided to dispose of the property, plant and equipment of the Company. Moreover the Company has suffered accumulated losses of Rupees 516.890 million as on 31 December 2013 which has turned equity into negative balance of Rupees 243.488 million.

Keeping in view the above factors the management of the Company prepared this condensed interim financial information on the basis of estimated realizable / settlement values of assets and liabilities respectively in addition to historical cost convention. All assets and liabilities in these financial statements have been presented in the order of liquidity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 2013.

2.1 BASIS OF PREPARATION

2.1.1 Statement of compliance

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the half year ended 31 December 2013 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 Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 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 2013.



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2.1.2 Accounting convention

Keeping in view the fact that the Company may not be able to continue as going concern, this condensed interim financial information is prepared on the basis of realizable / settlement values of assets and liabilities respectively in addition to the historical cost convention. In realizable / settlement value basis, assets are carried at amount of cash and cash equivalents that could currently be obtained by selling the assets in an orderly disposal. Liabilities are carried at their settlement values, that is the undiscounted amounts of cash or cash equivalents expected to be paid to satisfy the liabilities in the normal course of business. Realizable / settlement values of assets and liabilities respectively as disclosed in the balance sheet are based on the management's best estimate.

2.1.3 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 2013.

3. BORROWINGS

		Un-audited 31 December 2013 Rupees	Audited 30 June 2013 Rupees
From banking companies and financial institutions - secured			
The Bank of Punjab	3.1	95,382,685	95,382,685
Murabaha facility	3.2	33,810,398	33,810,398
Unsecured			
Innovative Investment Bank Limited		18,083,326	18,083,326
Loans from director and sponsors		67,893,166	103,960,807
Crescent Jute Mills Limited		55,138,715	55,138,715
Crescent Foundation		46,000,000	46,000,000
		<u>316,308,290</u>	<u>352,375,931</u>

- 3.1 As per the terms of the respective sanction advice, these borrowing facilities were expired on 31 July 2011 and not renewed. The Bank has filed a suit in Lahore High Court against the Company for the recovery of principal amount and accrued mark-up of these facilities. However with reference to Note 7.2, the Bank has provided No Objection Certificate (NOC) for vacation of charge on assets.



**CRESCENT JUTE
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3.2 This facility was obtained from Crescent Standard Modaraba (CSM) which was repayable up to 30 June 2012, but the Company could not pay the balance up till the expiry of the prescribed date. As the Company is in default, mark-up at the rate of 18 percent per annum is being charged on the outstanding balance. Moreover CSM has filed a suit in Modaraba Tribunal against the Company for the recovery of above mentioned principal amount and mark-up amounting to Rupees 15.290 million previously waived of by CSM.

4. CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

4.1.1 The Commissioner Inland Revenue raised demand for sales tax amounting to Rupees 37.699 million (30 June 2013: Rupees 37.699 million) along with additional tax and penalty in respect of sales tax not charged on sale of fixed assets, sale of scrap, disputed inputs claimed, etc. Then Company filed appeals before the Appellate Tribunal Inland Revenue and subsequently in Lahore High Court which were decided against the Company. Now the Company has filed an appeal in Supreme Court of Pakistan against the decision of Lahore High Court. Moreover the Company also approached FBR for a decision by Alternate Dispute Resolution Committee (ADRC). The Committee has given its recommendations to FBR. Pending decisions of Supreme Court and FBR, no provision has been made in this condensed interim financial information. Based on the advice of legal counsel, the management is of the view that there are strong grounds about the decision of the case in favour of the Company.

4.1.2 Bank guarantee of Rupees 4.043 million (30 June 2013: Rupees 4.043 million) has been given to Sui Northern Gas Pipelines Limited against gas connection.

4.2 Commitments

4.2.1 There is no capital or other commitment as at 31 December 2013 (30 June 2013: Rupees Nil).

	Un-audited 31 December 2013 Rupees	Audited 30 June 2013 Rupees
5. STOCK-IN-TRADE		
Raw materials	14,521,779	14,521,779
Work-in-process	5,241,881	5,274,165
Finished goods	3,296,238	4,707,718
	<u>23,059,898</u>	<u>24,503,662</u>
Less: Provision for obsolescence	9,681,186	9,681,186
	<u>13,378,712</u>	<u>14,822,476</u>

6. SECURITY DEPOSITS

These include Rupees 120 million deposited with Deputy Registrar (Judicial) of the Lahore High Court as per its order dated 09 October 2013 regarding the issuance of NOC by The Bank of Punjab.



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	Un-audited 31 December 2013 Rupees	Audited 30 June 2013 Rupees
7. PROPERTY, PLANT AND EQUIPMENT		
Opening book value	308,576,013	319,944,930
Cost of additions during the period / year computers	-	35,000
	<u>308,576,013</u>	<u>319,979,930</u>
Less:		
Book value of deletions during the period / year (Note 7.1)	43,685,368	390,485
Depreciation charged during the period / year	3,763,212	11,013,432
	<u>47,448,580</u>	<u>11,403,917</u>
	<u>261,127,433</u>	<u>308,576,013</u>

7.1 Book value of deletions during the period / year

Plant and machinery	43,685,368	-
Vehicles	-	390,485
	<u>43,685,368</u>	<u>390,485</u>

7.2. The Bank of Punjab had previously first pari passu charge over land, building, plant and machinery of the Company for Rupees 300 million through registered mortgage. However as per the order of Lahore High Court dated 09 October 2013, NOC was given by the bank on deposit of Rupees 120 million with the Deputy Registrar (Judicial) of the Lahore High Court.

(un-audited)			
Half year ended		Quarter ended	
31 December 2013	31 December 2012	31 December 2013	31 December 2012
Rupees	Rupees	Rupees	Rupees

8. COST OF SALES

Stores and spare parts consumed	200	7,325	-	2,265
Fuel and power	390,959	901,176	235,776	341,414
Salaries, wages and other benefits	918,375	911,798	457,044	474,351
Repair and maintenance	3,348	2,054	3,348	-
Insurance	125,901	230,367	57,730	44,610
Depreciation	3,278,863	4,902,924	1,054,524	2,451,462
Other factory overheads	34,431	5,100	4,592	-
	<u>4,752,077</u>	<u>6,960,744</u>	<u>1,813,014</u>	<u>3,314,102</u>
Work-in-process:				
Opening stock	5,274,165	6,634,619	5,274,165	6,634,619
Closing stock	(5,241,881)	(5,828,958)	(5,241,883)	(5,828,958)
	<u>32,284</u>	<u>805,661</u>	<u>32,282</u>	<u>805,661</u>
Cost of goods manufactured	<u>4,784,361</u>	<u>7,766,405</u>	<u>1,845,296</u>	<u>4,119,763</u>
Finished goods:				
Opening stock	4,707,718	28,431,778	2,526,565	25,473,318
Closing stock	(3,296,238)	(15,016,160)	(3,296,238)	(15,016,160)
	<u>1,411,480</u>	<u>13,415,618</u>	<u>(769,673)</u>	<u>10,457,158</u>
	<u>6,195,841</u>	<u>21,182,023</u>	<u>1,075,623</u>	<u>14,576,921</u>



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(un-audited)	
Half Year ended	
31 December 2013	31 December 2012
Rupees	Rupees

9. CASH (UTILIZED IN) / GENERATED FROM OPERATIONS		
Profit / (loss) before taxation	188,014,017	(48,782,871)
Adjustments for non-cash charges and other items:		
Depreciation	3,763,212	5,514,886
Gain on sale of property, plant and equipment	(203,429,351)	(485,750)
Net un-realized gain on remeasurement of investments at fair value through profit or loss	(104,939)	(304,295)
Provision for obsolescence of stock-in-trade	-	2,468,702
Provision for obsolete items of stores and spare parts	-	730,229
Reversal of provision for obsolete items of stores and spares parts	(788,868)	-
Credit balances added back	(6,704)	(55,048)
Finance cost	11,036,432	13,155,849
Working capital changes (Note 9.1)	(160,282,984)	32,823,346
	<u>(161,799,185)</u>	<u>5,065,048</u>

9.1 Working capital changes

Decrease / (increase) in current assets:

Stores and spare parts	1,757,660	7,325
Stock in trade	1,443,764	14,221,279
Trade debts	(290,325)	(1,238,139)
Loans and advances	(41,387)	21,501
Security deposits	(119,829,622)	-
Prepayments	(297,118)	(339,300)
Other receivables	(979,159)	1,442,532
	(118,236,187)	14,115,198
(Decrease) / Increase in trade and other payables	(42,046,797)	18,708,148
	<u>(160,282,984)</u>	<u>32,823,346</u>

10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, directors 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:



CRESCENT JUTE
PRODUCTS LTD.

(Un-audited)			
Half year ended		Quarter ended	
31 December 2013	31 December 2012	31 December 2013	31 December 2012
Rupees	Rupees	Rupees	Rupees

i) Transactions

Associated companies

Service charges accrued	24,555	677,457	4,402	146,861
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**Directors and key
management personnel**

Repayment of Director's loan	191,077,006	-	186,177,006	-
Loan received from director	169,800,000	999,362	164,800,000	999,362
Company's expenses paid by Chief Executive Officer (CEO)	-	24,690,237	-	14,482,993
Company's expenses re-imbursed to CEO	14,790,635	20,961,287	-	20,961,287
Remuneration paid to CEO, Directors and Executives	7,131,256	8,319,703	3,170,350	3,834,359

Un-audited 31 December 2013 Rupees	Audited 30 June 2013 Rupees
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ii) Period end balances

Trade and other payables	506,723	-
Borrowings	42,900,000	78,967,646

11. 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 2013.

12. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved and authorized for issue on February 20, 2014 by the Board of Directors of the Company.

13. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim balance sheet 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 profit and loss account, condensed interim statement of comprehensive income and 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.

14. GENERAL

The figures have been rounded off to the nearest Rupee unless otherwise stated.

Humayun Mazhar
CHIEF EXECUTIVE OFFICER

Khurram Mazhar Karim
DIRECTOR

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