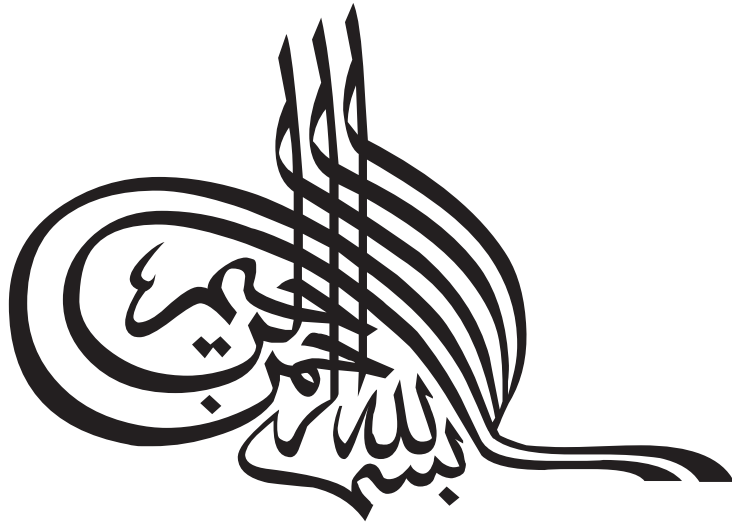


ANNUAL
REPORT

2018



| The Crescent Textile Mills Limited



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COMPANY INFORMATION

Board of Directors		Bankers
Mr. Shaukat Shafi	Chairman	Al Baraka Bank (Pakistan) Limited
Mr. Muhammad Anwar	Chief Executive Officer	Allied Bank Limited
Mr. Ahmad Shafi	Director	Habib Bank Limited
Mr. Amjad Mehmood	Director	MCB Bank Limited
Mr. Anjum Muhammad Saleem	Director	National Bank of Pakistan
Mr. Khalid Bashir	Director	Standard Chartered Bank (Pakistan) Limited
Mr. Khurram Mazhar Karim	Director	The Bank of Punjab
Mr. Muhammad Arshad (Nominee NIT)	Independent Director	United Bank Limited
Audit Committee		Mills & Head Office
Mr. Khalid Bashir	Chairman	Sargodha Road,
Mr. Anjum Muhammad Saleem	Member	Faisalabad, Pakistan
Mr. Khurram Mazhar Karim	Member	T: + 92-41-111-105-105
		F: + 92-41-8786525
		E: crestex@ctm.com.pk
HR & R Committee		
Mr. Khalid Bashir	Chairman	
Mr. Ahmad Shafi	Member	
Mr. Anjum Muhammad Saleem	Member	
Chief Financial Officer		
Mr. Asim Siddique		
Corporate Secretary		Registered Office
Mr. Naseer Ahmad Chaudhary		45-A, Off: Zafar Ali Road, Gulberg-V,
		Lahore, Pakistan
		T: + 92-42-111-245-245
		F: + 92-42-111-222-245
		E: crestex@ctm.com.pk
Head of Internal Audit		
Mr. Muhammad Waqar Iqbal		
Auditors		
Riaz Ahmed & Company		
Chartered Accountants		
Legal Advisor		Share Registrar
Syed Masroor Ahmad		CorpTec Associates (Pvt) Ltd.,
		503 - E, Johar Town,
		Lahore, Pakistan
		T: +92-42-35170336-37
		F: +92-42-35170338
		E: info@corptec.com.pk
Stock Exchange Listing		
The Crescent Textile Mills Limited is a listed Company		
and its shares are traded on Pakistan Stock Exchange.		
The Company's shares are quoted in leading dailies		
under textile composite sector.		www.crescenttextile.com

VISION AND CORE VALUES

VISION

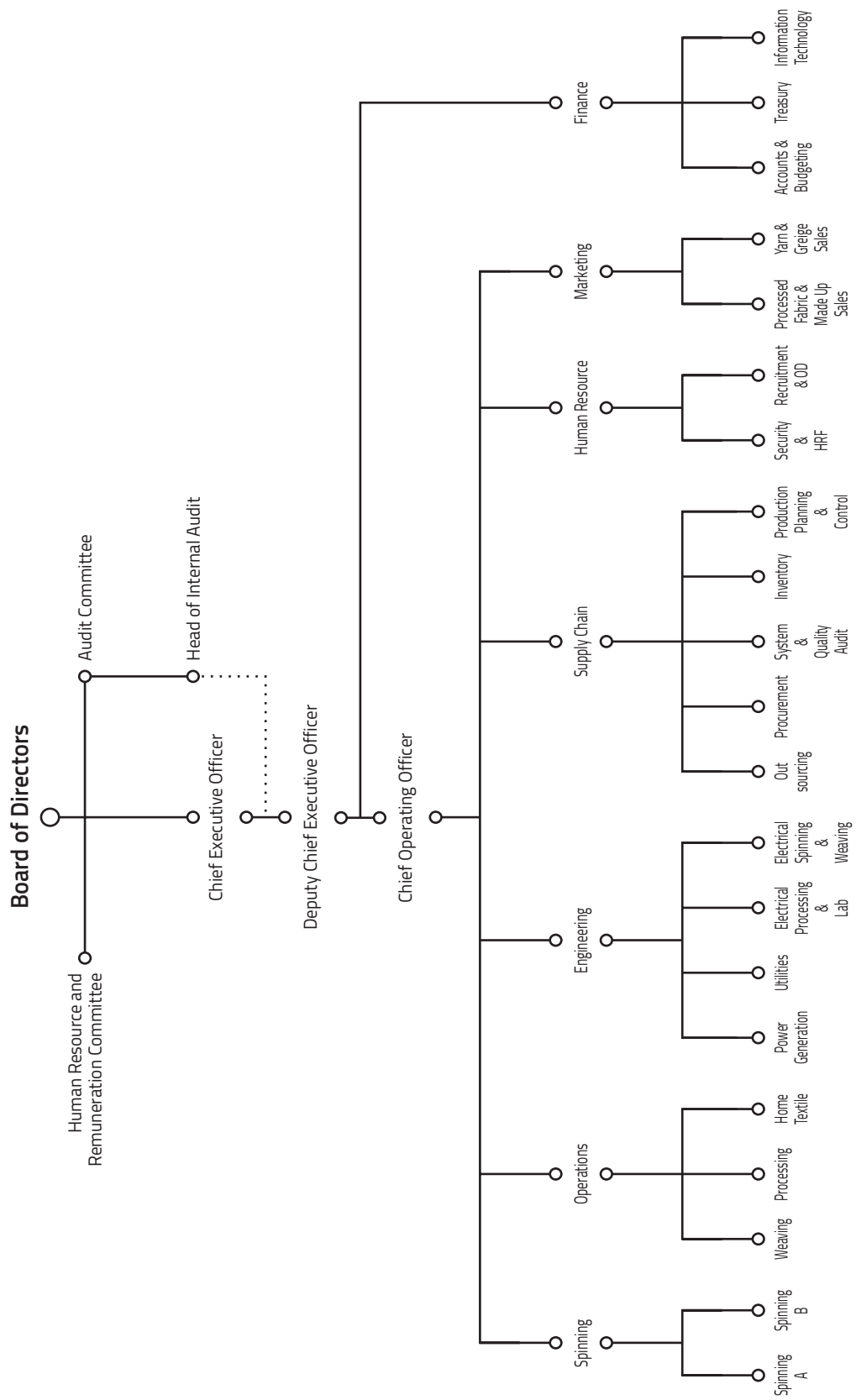
To be the preferred choice of customers through innovative products and solutions and be a leading contributor to the economy by enhancing value for stakeholders.

CORE VALUES

Our core values are at the heart of our business because they define who we are, how we work, what we believe in and what we stand for. Our core values set out how we act and how we expect to be treated as part of The Crescent Textile Mills Limited.

					
INTEGRITY	INNOVATION	CUSTOMER CENTRICITY	COMMITMENT	TEAMWORK	QUALITY
• Walk the Talk • Ownership • Professional Ethics • Personal Integrity	• Creative Solutions • Change Agent • Transformational Approach • Challenging the Status Quo	• Excellence Service • Customer Engagement • Fulfilling Customer Needs • Re-shape Environment	• Fostering the Co. Vision • Empowering Others • Establishing Focus • Achieving Results	• Organizational Growth • Developing Teams • Knowledge Sharing • Self Development	• Cultivating Excellence • Managing Projects • Improve Results • Meet Expectation

MANAGEMENT STRUCTURE / ORGANIZATION CHART





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-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event
notifications, corporate and
regulatory actions)
-  Jamapunji application for
mobile device
-  Online Quizzes



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Securities and Exchange
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CHAIRMAN'S REVIEW

for the year ended June 30, 2018

It gives me an immense pleasure to present this report to the shareholders of The Crescent Textile Mills Limited pertaining to the overall performance of the Board and the effectiveness of its role in attaining Company's objectives. During the year the Board committees continued to work with a great measure of proficiency. The Audit Committee has focused in particular on the management and control of risks associated with the business. The Human Resource and Remuneration Committee has ensured that the HR policies regarding performance management, HR staffing, compensation and benefits are market driven and are properly aligned to the company's performance, shareholders' interests and the long-term success of the company.

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2017, the Board has developed a mechanism for the evaluation of performance of the Board of Directors. During the year a comprehensive questionnaire was circulated among all members of the board for the evaluation of performance of the Board of Directors. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

For the financial year ended June 30, 2018, the Board's overall performance and effectiveness has been assessed as Satisfactory. Improvement is an ongoing process leading to action plans. The overall assessment as Satisfactory is based on an evaluation of integral components including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's business.

The Board of Directors of the Company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. The board meets frequently enough to adequately discharge its responsibilities. The non-executive and independent directors are equally involved in important decisions.

On an overall basis, I believe that the strategic direction of the Company is clear and appropriate. Further, the processes adopted in developing and reviewing the overall corporate strategy and achievement of company's objectives are commendable.



Shaukat Shafi
Chairman

DIRECTORS' REPORT

for the year ended June 30, 2018

Directors of your company are pleased to present the Annual Report along with audited Financial Statements of company and Auditors' Report thereon for the year ended June 30, 2018.

Industry overview

Textile exports in FY18 witnessed a modest increase of 9 percent as compared to the previous year. The growth in exports was mainly led by valued added segments. This rise could be attributed both to the government's incentive package and the rupee depreciation although the lower export base in the same period last year also played a factor. There were high hopes on value-added segments to improve the miserable performance of past years owing to PM Textile Incentive Package. But textile

stakeholders across the board have decried the shabby implementation of the export incentive awarded to the textile sector by the government. Value-added players assert that the growth would have been much higher had their pending sales tax refunds been released in a timely manner.

On spinning side, raw material procurement has become tedious and costly. The area under cultivation of local cotton has gone down and the cotton production target was missed by eight percent in FY18 while by an even wider margin of 30 percent and 25 percent in FY16 and FY17 respectively. The current year is likely to be no different when it comes to a shortfall of the required 16-17 million bales by the local industry.

Company's performance

A brief financial analysis is presented as under:

(Rupees in million)	FY 18	FY 17	Variance	%
Revenue	11,314	10,873	441	4
GP	1,100	972	128	13
Operating cost	777	954	(177)	(19)
Finance cost	638	287	351	123
Other income	325	350	(25)	(7)
Taxation	2	(32)	34	106
Net Profit after tax	8	113	(105)	(93)
EPS (Rs. Per share)	0.11	1.42	(1.31)	(93)

Sales revenues for the year grew by 4% from Rs 10.87 billion to PKR 11.31 billion as compared to FY17. Export sale were down by 13.54% in comparison to last year due to low demand till the 3rd quarter of the year but in last quarter export dispatches increased significantly. Whereas local sales increased by 34.26% in comparison to last year due to increase in outright sale instead of in house utilization of yarn. Gross profit increased by 13% mainly due marginal increase in average selling rates of both local and export sale. Operating cost reduced by 19% due significant decrease in distribution cost on account of export freight and commission. Finance cost increased by 123% in comparison to last year from Rs 287 million to Rs 638 million. This abnormal increase was attributed to exchange loss on foreign currency loans due abrupt rupee

depreciation during the second half of the year. PKR devalued against US dollar by more than 15% during the year causing the exchange loss of Rs 305 million. Bottom-line of the company would have been much better in comparison to the last year had there been no such rapid rupee devaluation during the year. Going forward, we have made some necessary amendments in our currency risk policy to reduce our exposure to exchange loss in case of further rupee devaluation. Moreover an aggregate increase in SBP policy rate by 75 bps during 2nd half of the year also contributed toward increase in finance cost. Other Income squeezed by 7% due to gain on sale of ordinary shares of Shakarganj Limited in corresponding year.

DIRECTORS' REPORT

for the year ended June 30, 2018

In spinning segment better operational performance observed in comparison to last year mainly due to following factors. Capacity utilization increased by 4% (Average spindle worked increases from 94,799 to 98,391). Last year capacity utilization was low due installation of BMR activities. Average sale rate improved by 8.06% from Rs 134.9/lbs to Rs 145.8/lbs. On the other side, raw material prices were also increased from last year as average cotton prices increased by 6.9% and man-made fiber by 18.21%. Our BMR activities in the Spinning divisions have allowed us to continue to make operating profit despite increasing competition over the last year. The Company continues to invest in new equipment to allow it to take full advantage of changing market conditions, most notably with a heavy investment in its combing, drawing, carding and blow room capacities, which will come online in the coming quarters.

Weaving segment operational performance was down due increase in input cost, that was not fully compensated by corresponding increase in fabric sale rate. Average yarn purchase rate increased by 9% whereas average fabric sale rate improved by 7.7% in comparison to last year. Capacity utilization marginally decreased by 2.3% as compared to the last year. We will continue to focus on improvement of our operational efficiencies to compete with international market.

Despite fall in global demand of textile products and surge in domestic raw material prices, value added segment operational performance was better than previous year. It was achieved due increase in average selling rate that was increased by 5.3% in processed fabric export and by 8.5% in made up export. This increase is mainly attributed to rupee devaluation during the year. Production figures in processing and home textile segment of the company were far away from target particularly in 1st half of the year due low export demand. Processed fabric and made up production decreased by 5% and 26% respectively in comparison to last year. Despite substantial decline in production, operational profit of this segment improved. Government's export subsidy package did provide some relief against regional competitors, but very slow disbursement of funds did not allow the industry to take

full advantage of the scheme. Similarly inordinate delays in release of GST refunds also affected our ability to manage working capital requirements. However, the Company continued to take advantage of the Government's LTTF scheme to invest in new product lines, expand capacity and lower costs, this up gradation and growth will continue in the coming financial year, most notably with the addition of bleaching plant, stenter, digital printing and automated cutting and stitching machine.

Financial Statement

As required under regulation 26 of Listed Companies (Code of Corporate Governance) Regulations, 2017 ("CCG Regulations, 2017"), the Chief Executive Officer and the Chief Financial Officer present the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors, after consideration and approval, authorize the signing of financial statements for issuance and circulation. The financial statements of the Company have been duly audited and approved without qualification by the auditors of the Company, Messrs Riaz Ahmad & Co, Chartered Accountants and their report is attached with the financial statements. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relates and the date of the Directors' Report.

Auditors

The auditors Messrs Riaz Ahmad & Co., Chartered Accountants, retire and offer themselves for re-appointment for the year 2019. The Audit Committee has recommended their re-appointment which has been endorsed by the Board for shareholders consideration and approval at the forthcoming annual general meeting.

Composition of Board

In line with the requirements of the CCG Regulations, 2017, the Company encourages representation of independent and non-executive directors, as well as gender diversity on its Board. The current composition of the Board is as follows:

DIRECTORS' REPORT

for the year ended June 30, 2018

Total number of Directors:

Male directors	8
Female director	Exempted for current term

Composition:

Independent directors	1
Other non-executive directors	5
Executive directors	2

Changes in the Board and Committees

During the year, Mr. Muhammad Arshad joined the Board as an independent director of the company to fill the casual vacancy created by Mr. Muhammad Asif.

The Board welcomed the new member and appreciated

the valuable contribution of the outgoing member during his tenure on the Board.

Detail of number of board and committee meetings held during the year and attendance by each director is as under:

S#	Name	Board of Directors Meeting	Audit Committee Meeting	HR & R Committee Meeting
1	Mr. Ahmad Shafi	5/6		0/1
2	Mr. Amjad Mehmood	6/6		
3	Mr. Anjum Muhammad Saleem	5/6	4/5	1/1
4	Mr. Khalid Bashir	6/6	5/5	1/1
5	Mr. Khurram Mazhar Karim	2/6	2/5	
6	Mr. Muhammad Anwar	6/6		
7	Mr. Muhammad Arshad	2/2		
8	Mr. Muhammad Asif	4/4		
9	Mr. Shaukat Shafi	4/6		

Leave of absence was granted to directors who could not attend some of the Board and Committee meetings.

Remuneration Policy of Non-Executive Directors

The fee of the Non-Executive and Independent Directors for attending the Board and Committee meetings of the Company is determined by the Board from time to time.

Appropriations

The Board of Directors of the company feels that it is prudent to plough back the profits for future growth of the company and do not recommend any dividend for the year ended June 30, 2018.

Principal Risks and Uncertainties

The Company is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

- Significant competition in our product categories;
- Adverse movement in foreign exchange rates and commodity prices;
- Availability of cheaper energy mix; and
- Retention of key employees.

The Company works with internal and external stakeholders to mitigate these risks and to reduce these to acceptable level.

DIRECTORS' REPORT

for the year ended June 30, 2018

Internal Financial Controls

The directors are aware of their responsibility with respect to internal financial controls. Through discussions with management and auditors (both internal and external), they confirm that adequate controls have been implemented by the Company.

Statement on Corporate and Financial Reporting Framework:

- a. Financial statements prepared by company's management present fairly its state of affairs, results of its operations, cash flows and changes in equity;
- b. Proper books of accounts have been maintained;
- c. Appropriate accounting policies have been consistently applied, except for change in accounting policy as stated in Note 2.7 to the financial statements, in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of these financial statements and any departure there from has been adequately disclosed and explained;
- e. The company has sound potentials to continue as going concern;
- f. There has been no material departure from best practices of corporate governance;
- g. Financial data of the last six years is attached;
- h. Pattern of Shareholding is attached;
- i. Outstanding taxes and levies are given in the Notes to the Financial Statements;
- j. The majority of the Board members have the prescribed qualifications and experience required

for exemption from training program of Directors pursuant to Regulation 20 of the CCG Regulations, 2017. All Directors are fully conversant with their duties and responsibilities as Directors of corporate bodies.

Corporate Social Responsibility (CSR)

As responsible corporate citizens we strive to build and enhance value for all stakeholders. That includes maximizing returns for our shareholders, enhancing our products and efficiency for our customers, keeping our people motivated and satisfied, practice our business in a sustainable way to do our part in contributing to society and managing the impact of our operations.

Education

Under the CSR commitment of the company has been partnering with The Citizen Foundation (TCF), welfare organization working under Government and Non-Government Organizations working for promotion of education in the rural areas. The Company has been funding Units of primary sections of TCF, already built by company in remote area of Faisalabad, during the year we paid annual running expense amounting to Rs. 6.0 million. Similarly, the Company is contributing regularly for educational societies and organizations involved in such noble cause. In addition to cash contribution senior officials have volunteered 280 hours to their structured programs throughout the year. The Company has also donated Rs. 2.5 million to Crescent Education Trust.

Health and medical care

The Company has donated Rs. 3 million to reputable institutions engaged in providing health and medical facilities for poor and needy class of the society including Shaukat Khanum Cancer Hospital and Research Centre, The Kidney Center, Chiniot Blood Bank and Dialysis Centre and Islamia Hospital Chiniot besides providing funds for purchase of essential medical equipments.

To ensure health and safety at the workplace employees are trained to protect themselves by

DIRECTORS' REPORT

for the year ended June 30, 2018

occupational safety rules and procedures while performing jobs. Adequate training and awareness about technical jobs are given to all employees in the 'Training Centre' established by the Company. A well-equipped firefighting department is looking after immediate fire hazardous.

Trees plantation

Trees and plants are the prime source of environmental purification and beautification. Trees inhale carbon dioxide and exhale oxygen, reduce temperature and create a healthy effect, both physically and psychologically, on human beings. In fact, forests are the only natural industry which produces oxygen. Today world is facing environmental problems like Global warming, ozone depletion and pollution are burning issues. Solution to these problems lies in planting more trees.

We have planted 18,000 trees which are saving approximately 390 tons of CO₂ per year. By planting trees we are reducing CO₂ emissions and contributing towards a healthy, natural living environment within the premises for all our employees and the society at large.

Equal opportunity employer

Our recruitment policy is defined in line with national and international laws and industry best practices. It is demonstrated at all levels beyond any racism, cast, sex and religion. Moreover, Special persons are awarded appropriate share of jobs.

Industrial relations

The Company has a long and established history of

keeping its cordial relations across at all levels with mutual trust, respect, cooperation and confidence. This ensures and improves ultimate efficiency of the Company. Reasonable opportunities are afforded to the workmen in participating Collective Bargaining Agent (CBA) activities and elect representatives of their choice under free and fair environment.

Every year through a demand notice raised by CBA, the Company pays incentive bonus, profit bonus, Hajj expenses of 06 employees, distributes cycle, fan and sewing machines on easy installments. The Company has also arranged Fair Price Shop and Canteen facilities for its employees. Moreover, the Company is also maintaining Workers Welfare Fund for needy employees.

Environment protection

Conservation of environment and to protect its environment from hazard always remains on top priority for the Company so that no vulnerable process emission can harm community at large. Operational facilities are continuously evaluated through required safety equipments.

Business and operations of the Company are certified for compliance of international standards and regulatory requirements from national and international agencies. We have achieved third party certifications through the accredited agencies for following product, services, management and environmental systems standards:

DIRECTORS' REPORT

for the year ended June 30, 2018

ISO 9001:2015	Quality Management Systems
ISO 14001:2015	Environment Management Systems
OCS-NL	Product Standards, Organic Content Standard
GOTS-NL	Product Standards, Global Organic Textile Standard
Oeko-Tex 100	Product Standards for Yarn, Human Ecology
Oeko-Tex 100	Product Standards for Fabric, Human Ecology
Oeko-Tex 100	Product Standards for Home Textiles, Human Ecology
SA 8000	Social Accountability
SEDEX	Audit Data Bank for sharing with Customers
SMETA/ETI	Code Ethical Trading Initiative
Ecolabelling (SWAN)	Environmental, Health and Quality requirements
Egyptian Cotton Trade Mark	
Supima Cotton Trade Mark	

Energy conservation

The Company is trying to invest in alternative energy resources for energy conservation. Following initiatives have been planned / completed in this regard.

A project is underway for installation of caustic recovery plant at our dyeing unit. This plant will recover chemicals and will provide cost savings through recycling process. It will also reduce hazardous materials in drained water. Conventional tube lights are being replaced with LED lights.

The Company is also operating effluent treatment plant for processing plant. This plant recycles water and reduces the effluent load in drainage system. Wet scrubbers, effective air pollution control devices, are installed at our Coal Steam Boiler for removing particles and gases from industrial exhaust streams. This results in decontamination, detoxification, and dust removal for the benefit of our environment. Environment Protection Authority (EPA) has approved our effluent water treatment plant and wet scrubbers as per National Environmental Quality Standards (NEQS).

Contribution to national exchequer

During the year, the Company contributed Rs.193 million to national exchequer in the shape of direct and indirect taxes and earned valuable foreign exchange of US\$ 52 million through the export of its products.

Employees' retirement benefits

The Company established an 'Employees' Provident Fund Trust' ("the Trust") to manage and control its financial affairs independently. The Trust is recognized under Income Tax Laws and its income and contributions are exempt from tax. It receives subscription from employees with equal contribution from company. The value of investments of the Fund as per audited accounts on close of financial year, were Rs.1,103 million (FY 17 Rs.1,563 million).

Future outlook

Going forward, the environment for textile exporters and manufacturers will remain under pressure owing to a variety of factors. The cost of manufacturing in relation to regional peers is expected to increase due to expected increase in both electricity and gas tariffs. The provision of more expensive R-LNG to Punjab's industry has already resulted in closure of several units owing to high cost of operations. Continuous increase in interest rate is also a big challenge for industry. Subsequent to year end, SBP has further increased policy rate by 100 bps that will also impair the competitiveness of local industry.

Although challenges are high but we are committed to perform in best possible manner and add value to our stakeholders to meet the long term goals of company. For improving quality of our products and get premium on selling prices we will continue to upgrade plant and machinery under BMR during ensuing year. The Board has already approved a Capex plan for FY 2019 which we intend to implement after obtaining approval from

DIRECTORS' REPORT

for the year ended June 30, 2018

financing institutions under SBPLTF.

Acknowledgement

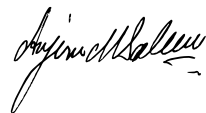
On behalf of the Board, we have this opportunity to express our gratitude and appreciation for our customers,

vendors and financial institutions for their continued support. We also appreciate our employees for their relentless dedication and immense contribution to the Company.

For and on behalf of the Board of Directors



Muhammad Anwar
Chief Executive Officer



Anjum Muhammad Saleem
Director

ڈائریکٹران کی رپورٹ

مالی سال مختتمہ 30 جون 2018ء

آپ کی کمپنی کے ڈائریکٹر آڈیٹروں کی رپورٹ اور کمپنی کے آڈٹ کردہ مالی بیانات کے ساتھ 30 جون 2018ء کو ختم ہونے والے سال کی سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

انڈسٹری کا جائزہ:

پچھلے سال کی نسبت مالی سال 2018ء میں ٹیکسٹائل برآمدات میں 9 فیصد کا معمولی اضافہ دیکھنے میں آیا۔ برآمدات میں بڑھوتری بنیادی طور پر ویلیو ایڈڈ شعبہ کی مرہون منت رہی۔ یہ اضافہ حکومتی مراعاتی پیکج اور روپے کی قدر میں کمی دونوں کی طرف منسوب کیا جاسکتا ہے اگرچہ گزشتہ سال کے اسی عرصہ میں کم تر برآمدی بنیاد نے بھی کردار ادا کیا۔ وزیر اعظم کے مراعاتی پیکج کو دیکھتے ہوئے ویلیو ایڈڈ شعبہ سے پچھلے سالوں کی خراب کارکردگی کو بہتر بنانے کی بہت زیادہ امید تھی لیکن ٹیکسٹائل اسٹیک ہولڈرز نے متفقہ طور پر حکومت کی جانب سے ٹیکسٹائل سیکٹر کو دی جانے والی برآمدی مراعات کے ناقص نفاذ کی مذمت کی۔ ویلیو ایڈڈ شعبہ کے کھلاڑیوں کا دعویٰ ہے کہ اگر ان کے سبز ٹیکس ری فنڈ بروقت ادا کر دیئے جاتے تو یہ اضافہ کہیں زیادہ ہو سکتا تھا۔

سپینگ کے معاملہ میں خام مال کی دستیابی زیادہ مشکل اور مہنگی ہو گئی ہے۔ مقامی کپاس کی کاشت کا رقبہ کم ہوا ہے اور کپاس کی پیداوار کا ہدف مالی سال 2018ء میں 8 فیصد جبکہ بڑے پیمانے پر مالی سال 2016ء اور 2017ء میں بالترتیب 30 اور 25 فیصد کم رہا ہے۔ موجودہ سال بھی کچھ زیادہ مختلف دکھائی نہیں دیتا جب مقامی صنعت 16-17 ملین گانٹھوں کی قلت تک پہنچے گی۔

کمپنی کی کارکردگی:

کمپنی کی کارکردگی کا مختصر مالیاتی تجزیہ درج ذیل ہے:

ملین روپے	مالی سال 2018ء	مالی سال 2017ء	فرق	فیصد فرق
آمدنی	11,314	10,873	441	4
خام منافع	1,100	972	128	13
عملی اخراجات	777	954	(177)	(19)
مالیاتی اخراجات	638	287	351	123
دیگر آمدنی	325	350	(25)	(7)
محصولات	2	(32)	34	106
خالص منافع بعد از محصولات	8	113	(105)	(93)
فی حصص آمدنی (روپے)	0.11	1.42	(1.31)	(93)

ڈائریکٹران کی رپورٹ

مالی سال ختم شدہ 30 جون 2018ء

کمپنی کی کارکردگی:

زیر جائزہ سال میں گزشتہ مالی سال 2017ء کی نسبت فروخت کی آمدنی 4 فیصد بڑھ کر 10.87 ملین روپے سے 11.31 ملین روپے ہو گئی۔ برآمداتی فروخت گزشتہ سال کی نسبت 13.54 فیصد کم ہوئی جس کی وجہ تیسری سہ ماہی تک طلب کی کمی تھی تاہم آخری سہ ماہی میں برآمدات کی ترسیل میں نمایاں اضافہ ہوا۔ یارن کے مقامی استعمال کی بجائے براہ راست فروخت کی وجہ سے مقامی فروخت میں گزشتہ سال کے مقابلہ میں 34.26 فیصد اضافہ ہوا۔ مقامی اور برآمدی فروخت دونوں کے اوسط فروختی ریٹس میں نمایاں اضافہ کی وجہ سے خام منافع میں 13 فیصد اضافہ ہوا۔ برآمدی کرایہ جات اور کمیشن کی مد میں تقسیم کی لاگت میں نمایاں کمی کی وجہ سے عملی اخراجات میں 19 فیصد کمی آئی۔ پچھلے سال کے مقابلہ میں مالیاتی لاگت 123 فیصد کے اضافے کے ساتھ 287 ملین روپے سے بڑھ کر 638 ملین روپے ہو گئی۔ یہ غیر معمولی اضافہ سال کی دوسری ششماہی میں روپے کی قدر میں اچانک کمی کی وجہ سے غیر ملکی قرضہ جات پر تبادلہ کے نقصان کے باعث ہوا۔ سال کے دوران امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر 15 فیصد تک کم ہوئی جس کی وجہ سے 305 ملین روپے کا تبادلہ جاتی نقصان اٹھانا پڑا۔ اگر سال کے دوران روپے کی قدر میں اتنی تیزی سے کمی نہ ہوتی تو کمپنی کی حتمی کارکردگی پچھلے سال کے مقابلے میں کہیں بہتر ہوتی۔ آگے بڑھتے ہوئے روپے کی قدر میں مزید کمی کی صورت میں تبادلہ جاتی نقصان کے حجم کو کم کرنے کے لیے ہم نے اپنی کرنسی رسک پالیسی میں ضروری تبدیلیاں کی ہیں۔ مزید برآں سال کی دوسری ششماہی میں سٹیٹ بینک آف پاکستان کے پالیسی ریٹ میں 75 بی پی ایس کے مجموعی اضافے نے بھی مالیاتی لاگت بڑھانے میں حصہ لیا۔ اس سال بہ نسبت گزشتہ سال شکر گنج لمیٹڈ کے عام حصص کی فروخت پر منافع کی وجہ سے دیگر آمدنی 7 فیصد کم ہوئی۔

سپنڈنگ کے شعبہ میں گزشتہ سال کے مقابلے میں بہتر عملی کارکردگی دیکھنے میں آئی جس کی بنیادی وجہ درج ذیل عوامل بنے: پیداواری صلاحیت میں 4 فیصد اضافہ ہوا (سپنڈل کی اوسط کارگر کاری 94,799 سے بڑھ کر 98,391 تک پہنچ گئی)۔ پچھلے سال BMR سرگرمیوں کی تنصیب کی وجہ سے پیداواری صلاحیت کم تھی۔ اوسط شرح فروخت 8.06 فیصد کے اضافہ کے ساتھ 134.9 روپے فی پونڈ سے 145.8 روپے فی پونڈ تک پہنچی۔ دوسری طرف خام مال کی قیمتیں بھی گزشتہ سال کے مقابلہ میں زیادہ رہیں جیسا کہ کپاس کی اوسط قیمت 6.9 فیصد جبکہ مصنوعی فابری کی قیمت 18.21 فیصد بڑھی۔ سپنڈنگ کے شعبہ میں ہماری BMR سرگرمیوں نے گزشتہ سال بڑھتی ہوئی مقابلہ بازی کے باوجود عملی منافع کمانے میں ہماری مدد کی۔ مارکیٹ کی بدلتی ہوئی صورت حال کا مکمل فائدہ اٹھانے کے لیے کمپنی نئے آلات اور ساز و سامان میں سرمایہ کاری جاری رکھے گی خاص طور پر اس کے کامبنگ، ڈرائنگ، کارڈنگ اور بلوروم کی صلاحیت میں جواگلی سہ ماہیوں میں منظر عام پر آجائیں گی۔

کپڑے کی شرح فروخت میں اسی تناسب سے اضافہ نہ ہونے کی وجہ سے ان پٹ لاگت میں اضافہ ہو جس کے باعث ویونگ کے شعبہ کی عملی کارکردگی زوال پذیر رہی۔ گزشتہ سال کے مقابلہ میں یارن کی اوسط شرح خرید 9 فیصد بڑھی جبکہ کپڑے کی اوسط شرح فروخت میں 7.7 فیصد اضافہ ہوا۔ پیداواری صلاحیت گزشتہ سال کے مقابلہ میں 2.3 فیصد کی محدود کمی ہوئی۔ بین الاقوامی مارکیٹ میں مقابلہ کرنے کے لیے ہم اپنی عملی کارکردگی میں بہتری پر توجہ مبذول کیے ہوئے ہیں۔

ٹیکسٹائل مصنوعات کی طلب میں عالمی سطح پر کمی اور مقامی خام مال کی قیمتوں میں اضافہ کے باوجود پچھلے سال کے مقابلہ میں ویلیو ایڈڈ شعبہ کی عملی کارکردگی بہتر رہی جس کا حصول پراسیسڈ کپڑے کی برآمد کی اوسط شرح فروخت میں 5.3 فیصد جبکہ میڈاپ کی برآمد میں 8.5 فیصد کے اضافہ کی وجہ سے ممکن ہو سکا۔ یہ اضافہ بنیادی طور پر سال کے دوران روپے کی قدر میں کمی کی مرہون منت تھا۔ کم برآمدی طلب کی وجہ سے کمپنی کے پراسیسڈنگ اور ہوم ٹیکسٹائل کے شعبہ کے پیداواری اعداد و شمار بداف سے دور رہے خصوصاً پہلی ششماہی میں۔ پچھلے سال کے مقابلہ میں پراسیسڈ فیبرک اور میڈاپ کی پیداوار بالترتیب 5 فیصد اور 26 فیصد کم رہی۔ پیداوار میں نمایاں کمی کے باوجود اس شعبہ کا عملی منافع بہتر ہوا۔

ڈائریکٹران کی رپورٹ

مالی سال ختم ہونے پر 30 جون 2018ء

حکومت کے برآمدی امدادی پیکیج نے علاقائی حریفوں کے مقابلہ میں کچھ ریلیف فراہم کیا تاہم فنڈز کی انتہائی سست روی سے فراہمی نے اس اسکیم سے خاطر خواہ فائدہ اٹھانے کی اجازت نہیں دی۔ اسی طرح جنرل سیلر ٹیکس ری فنڈز کے اجراء میں غیر معمولی تاخیر نے بھی ورکنگ کیپٹل کی ضروریات کے انتظام کی صلاحیت کو متاثر کیا۔ تاہم کمپنی نے نئی پراڈکٹ لانز میں سرمایہ کاری، پیداواری صلاحیت میں اضافہ اور کم ترین لاگت کے ذریعے حکومت کی ILTTF اسکیم سے فائدہ حاصل کرنے کا سلسلہ جاری رکھا۔ یہ اپ گریڈیشن اور ترقی آنے والی مالی سال میں بھی جاری رہے گی خاص طور پر پلچنگ پلانٹ، سٹینڈرڈ، ڈیجیٹل پرنٹنگ اور خود کارکننگ اور سٹچنگ مشینوں میں اضافے کی وجہ سے۔

مالیاتی اسٹیٹمنٹ:

مندرجہ کمپنیوں کے قواعد و ضوابط کوڈ آف کارپوریٹ گورننس 2017 کے ضابطہ نمبر 26 کے تحت چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر اپنے دستخطوں کے ہمراہ مالیاتی اسٹیٹمنٹ بورڈ آف ڈائریکٹرز کو غور و خوض اور منظوری کے لیے پیش کرتے ہیں۔ غور و خوض اور منظوری کے بعد دستخط کردہ مالیاتی اسٹیٹمنٹ کو اجراء اور اشاعت کی اجازت دیتے ہیں۔ کمپنی کی مالیاتی اسٹیٹمنٹ کمپنی کے آڈیٹر میسرز ریاض احمد اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس کی طرف سے اچھی طرح آڈٹ اور بغیر کسی اعتراض کے منظور کی گئی ہیں اور ان کی رپورٹ مالیاتی اسٹیٹمنٹ کے ساتھ لف ہے۔

مالی سال جس سے یہ بیلنس شیٹ تعلق رکھتی ہے اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلی اور کمٹمنٹ وقوع پذیر نہیں ہوئی۔

آڈیٹر ان:

آڈیٹر میسرز ریاض احمد اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس ریٹائر ہوئے اور انہوں نے مالی سال 2019 کے لیے اپنے آپ کو دوبارہ تعیناتی کے لیے پیش کیا ہے۔ آڈٹ کمیٹی نے ان کی دوبارہ تعیناتی کی منظوری دی اور پیش آمد سالانہ عمومی اجلاس پر بورڈ نے شینر ہولڈرز کی منظوری پر ان کی تعیناتی کی سفارش کی ہے۔

بورڈ کی ساخت:

CCG قواعد و ضوابط 2017ء کی ضروریات کے پیش نظر کمپنی بورڈ میں خود مختار اور غیر فعال ڈائریکٹرز کی نمائندگی کے ساتھ صنفی تنوع کی حوصلہ افزائی کرتی ہے۔ بورڈ کی موجودہ ساخت درج ذیل ہے:

ممبران کی کل تعداد:

مرد ڈائریکٹر ان 8
خاتون ڈائریکٹر ان خاتون کے لیے مستثنیٰ موجودہ عرصہ کے لیے مستثنیٰ

ڈائریکٹران کی رپورٹ

مالی سال ختم 30 جون 2018ء

ساخت:

1	خود مختار ڈائریکٹران
5	دیگر غیر فعال ڈائریکٹران
2	فعال ڈائریکٹران

بورڈ اور کمیٹی میں تبدیلیاں:

سال کے دوران مسٹر محمد آصف کی اتفاقہ طور پر خالی نشست پر کرنے کے لیے مسٹر محمد ارشد نے بورڈ میں بطور خود مختار ڈائریکٹر شمولیت اختیار کی۔
بورڈ نے نئے ممبر کو خوش آمدید کہا اور بورڈ میں اپنی مدت کے دوران قابل قدر خدمات پر جانے والے ممبر کو خراج تحسین پیش کیا۔

بورڈ اور کمیٹی کے سال کے دوران منعقدہ اجلاسوں کی تعداد اور ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	نام	بورڈ آف ڈائریکٹرز کا اجلاس	آڈٹ کمیٹی کا اجلاس	ہیومن ریسورس اور رمیو نیشن کمیٹی کا اجلاس
1	مسٹر احمد شفیع	5/6		0/1
2	مسٹر امجد محمود	6/6		
3	مسٹر انجم محمد سلیم	5/6	4/6	1/1
4	مسٹر خالد بشیر	6/6	5/5	1/1
5	مسٹر خرم مظہر کریم	2/6	2/5	
6	مسٹر محمد انور	6/6		
7	مسٹر محمد ارشد	2/2		
8	مسٹر محمد آصف	4/4		
9	مسٹر شوکت شفیع	4/6		

بورڈ اور کمیٹی کے اجلاس میں شرکت نہ کر سکنے والے ڈائریکٹرز کو غیر حاضری کی رخصت عطا کر دی گئی تھی۔

غیر فعال ڈائریکٹرز کے مشاہرے کی پالیسی:

غیر فعال اور خود مختار ڈائریکٹران کے کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کی فیس کا تعین بورڈ کی طرف سے موقع بہ موقع کیا گیا ہے۔

ڈائریکٹر ان کی رپورٹ

مالی سال ختم 30 جون 2018ء

اختصاص:

کمپنی کا بورڈ آف ڈائریکٹر محسوس کرتا ہے کہ کمپنی کی مستقبل کی ترقی کے پیش نظر منافع کی واپسی غیر دانشمندانہ اقدام ہے اور 30 جون 2018 کو ختم ہونے والے سال کے لیے کسی قسم کے ڈیویڈنڈ کی سفارش نہیں کرتا۔

نمایاں خطرات اور عدم یقینی:

کمپنی کچھ مقامی خدشات اور عدم یقینی کی صورت حال کا شکار ہے۔ تاہم ہم مندرجہ ذیل خطرات کو کلیدی خیال کرتے ہیں:

- ☆ مصنوعات کے زمرے میں نمایاں مقابلہ بازی
- ☆ فارن ایکسچینج ریٹس اور اجناس کی قیمتوں میں منفی تحریک
- ☆ سستی توانائی کا حصول
- ☆ کلیدی ملازمین کا استحکام

کمپنی اندرونی اور بیرونی اسٹیک ہولڈرز کے ساتھ ان خدشات سے نمٹنے اور انہیں قابل سطح تک کم کرنے کے لیے کام کر رہی ہے۔

اندرونی مالیاتی کنٹرولز:

ڈائریکٹر اندرونی مالیاتی کنٹرولز کے حوالے سے اپنی ذمہ داری سے آگاہ ہیں۔ انتظامیہ اور اندرونی و بیرونی آڈیٹرز کے ساتھ بات چیت کے ذریعے وہ یقینی بناتے ہیں کہ کمپنی نے مناسب کنٹرولز لاگو کر رکھے ہیں۔

کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک پر بیان:

- 1- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی سٹیٹمنٹ منصفانہ طور پر اس کے معاملات کی حالت، اس کے عوامل کے نتائج، کیش کا بہاؤ اور مساوات میں تبدیلی پر مشتمل ہے۔
- 2- اکاؤنٹس کی کتابیں مناسب طریقہ سے مرتب کی گئی ہیں۔
- 3- مالیاتی سٹیٹمنٹ کی تیاری میں اکاؤنٹنگ کی مخصوص پالیسیوں کو مسلسل لاگو کیا گیا ہے (سوائے اکاؤنٹنگ پالیسی میں تبدیلی کے جیسا کہ مالیاتی سٹیٹمنٹ کے نوٹ 2.7 میں بیان کیا گیا ہے) اور اکاؤنٹنگ کے تخمینہ جات مناسب اور ٹھوس فیصلوں پر مبنی ہیں۔
- 4- مالیاتی سٹیٹمنٹ کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ کے معیارات جیسے پاکستان میں لاگو ہیں، ان کی پیروی کی گئی ہے اور ان سے کسی بھی رخصت پر مناسب وضاحت دی گئی ہے۔
- 5- کمپنی میں متعلقہ معاملات کو جاری رکھنے کے لئے ممکنہ صلاحیت موجود ہے۔
- 6- کارپوریٹ نظام کے بہترین تجربہ سے مادی طور پر وگروڈانی ممکن نہیں۔
- 7- پچھلے چھ سال کا مالیاتی ڈیٹا لف ہے۔
- 8- شیئر ہولڈنگ کا پیٹرن لف ہے۔

ڈائریکٹر ان کی رپورٹ

مالی سال ختم 30 جون 2018ء

- 9۔ واجب الادا محصولات اور لیویز کا اندراج مالیاتی اسٹیٹمنٹ کے نوٹس میں کر دیا گیا ہے۔
- 10۔ بورڈ کے اکثر ممبران مقرر کردہ اہلیت اور تجربہ رکھتے ہیں جو کوڈ آف کارپوریٹ گورننس 2017ء کے ضابطہ نمبر 20 کے تحت ڈائریکٹرز کے ٹریننگ پروگرام سے استثناء کے لیے مطلوب ہے۔ تمام ڈائریکٹر ان کارپوریٹ ادارے کے ڈائریکٹر کے طور پر اپنے فرائض اور ذمہ داریوں سے مکمل طور پر آگاہ ہیں۔

ادارہ جاتی سماجی ذمہ داری:

ذمہ دار کارپوریٹ شہری کے طور پر ہم تمام اسٹیک ہولڈرز کے لیے تعمیر و ترقی میں کوشاں ہیں۔ اس میں اپنے اسٹیک ہولڈرز کو زیادہ سے زیادہ فائدہ پہنچانا، کسٹمرز کے لیے اپنی مصنوعات اور کارکردگی کو بڑھانا، اپنے لوگوں کو متحرک اور مطمئن رکھنا اور سوسائٹی میں اپنے کارآمد کردار اور اپنے عوامل کے اثرات کو منظم کرنے کے لیے پائیدار طریقہ اختیار کرنا شامل ہے۔

تعلیم:

CSR کمنٹس کے تحت کمپنی دیہاتی علاقوں میں تعلیم کے فروغ کے حکومتی و غیر حکومتی تنظیموں کے ہمراہ کام کرنے والی رفاہی تنظیم دی سٹیزن فاؤنڈیشن کے ساتھ شراکت کر رہی ہے۔ کمپنی فیصل آباد کے دور افتادہ علاقوں میں پہلے سے تعمیر شدہ دی سٹیزن فاؤنڈیشن کے پرائمری سکولز کے لیے سالانہ رواں اخراجات کی مد میں 60 لاکھ روپے عطیہ دے رہی ہے۔ اسی طرح کمپنی اس نیک مقصد میں مصروف عمل تعلیمی انجمنوں اور تنظیموں کے ساتھ مسلسل تعاون کر رہی ہے۔ نقد تعاون کے ساتھ ساتھ سینئر آفیشلوں نے سال بھر کے دوران رضا کارانہ طور پر 280 گھنٹے بھی اپنے تشکیل کردہ پروگرامز کے لیے وقف کیے ہیں۔ کمپنی نے 25 لاکھ روپے کریسٹل ایجوکیشن ٹرسٹ کو بھی عطیہ کیے ہیں۔

ہیلتھ اور میڈیکل کیر:

کمپنی نے ضروری طبی آلات کی خریداری کے لیے فنڈز فراہم کرنے کے علاوہ غریب اور مستحق طبقے کو صحت اور طبی سہولتوں کی فراہمی کے لیے کوشاں معتبر اداروں بشمول شوکت خاتم کینسر ہسپتال اینڈ ریسرچ سنٹر، دی کڈنی سنٹر، چنیوٹ بلڈ بینک اینڈ ڈائلسس سنٹر اور اسلامپہ ہسپتال چنیوٹ کو 30 لاکھ روپے عطیہ کیے ہیں۔

کام کی جگہ پر صحت اور حفاظت کو یقینی بنانے کے لیے ملازمین کو تربیت دی گئی ہے کہ وہ اپنی ذمہ داریاں ادا کرنے کے دوران کس طرح حفاظتی اصول و ضوابط کو اپنا کر خود کو محفوظ رکھ سکتے ہیں۔ کمپنی کی طرف سے قائم کردہ ٹریننگ سنٹر میں تمام ملازمین کو تکنیکی ذمہ داریوں کے متعلق ضروری تربیت اور آگاہی فراہم کی گئی ہے۔ ایک اچھی طرح سے لیس فائر فائٹنگ کا شعبہ فوری آگ کے خطرہ سے نمٹنے پر مامور ہے۔

شجر کاری:

درخت اور پودے ماحول کو صاف رکھنے اور خوبصورتی کا اہم ذریعہ ہیں۔ درخت کاربن ڈائی آکسائیڈ جذب کرتے ہیں اور آکسیجن خارج کرتے ہیں، درجہ حرارت میں کمی لاتے ہیں اور انسانوں پر جسمانی اور نفسیاتی طور پر ایک صحت مند تاثر پیدا کرتے ہیں۔ اصل میں جنگلات واحد قدرتی صنعت ہے جو آکسیجن پیدا کرتی ہے۔ آج دنیا آلودگی، اوزون میں کمی اور گلوبل وارمنگ جیسے اہم ماحولیاتی مسائل سے دوچار ہے۔ ان مسائل کا حل زیادہ سے زیادہ درخت لگانے میں ہے۔

ڈائریکٹر ان کی رپورٹ

مالی سال مختتمہ 30 جون 2018ء

ہم نے 18 ہزار درخت لگائے ہیں جو کاربن ڈائی آکسائیڈ میں سالانہ 390 ٹن کی کاباعت ہیں۔ شجرکاری سے ہم کاربن ڈائی آکسائیڈ میں کمی اور اپنے تمام ملازمین اور بڑے پیمانے پر معاشرے کے لیے صحت مند، قدرتی ماحول کی فراہمی میں حصہ ڈال رہے ہیں۔

روزگار کے یکساں مواقع:

ہماری روزگار کی پالیسی قومی اور بین الاقوامی قوانین کے مطابق اور بہترین صنعتی طریقہ کار کے مطابق ترتیب دی گئی ہے۔ اسے کسی بھی نسل پرستی، ذات پات، جنسی یا مذہبی معیار سے ہٹ کر ہر سطح پر دیکھا جاتا ہے۔ مزید برآں خصوصی افراد کو ملازمتوں کا مناسب حصہ دیا گیا ہے۔

صنعتی تعلقات:

باہمی اعتماد، احترام، تعاون اور بھروسے کے ساتھ اپنے ہمدردانہ تعلقات ہر سطح پر برقرار رکھنے کی کمپنی کی ایک طویل اور مستقل تاریخ ہے۔ اس سے کمپنی کی حتمی کارکردگی یقینی اور بہتر ہوتی ہے۔ سی بی اے کی سرگرمیوں میں حصہ لینے اور ایک آزاد اور منصفانہ ماحول میں اپنی مرضی کے نمائندے منتخب کرنے کے لیے کارکنوں کو مناسب مواقع فراہم کیے جاتے ہیں۔

ہر سال سی بی اے کی جانب سے کیے گئے مطالبہ کے ذریعے کمپنی مراعاتی بونس، منافع پر بونس، چھ ملازمین کے حج اخراجات کا خرچ اٹھانے کے ساتھ ساتھ آسان اقساط پر سائیکل، پنکھے اور سلامی مشین فراہم کرتی ہے۔ کمپنی نے ملازمین کے لیے فیئر پرائس شاپ اور کینٹین کی سہولیات بھی فراہم کر رکھی ہیں۔ کمپنی مستحق ملازمین کے لیے ورکرز ویلفیئر فنڈ بھی چلا رہی ہے۔

ماحولیاتی حفاظت:

ماحول کا تحفظ اور اپنے ماحول کو خطرات سے بچانا ہمیشہ کمپنی کی اولین ترجیح رہی ہے تاکہ کوئی بھی کمزور عمل کیونٹی کو بڑے پیمانے پر نقصان نہ پہنچا سکے۔ اس دعویٰ پر عمل کے لیے عملی سہولیات کو مطلوبہ حفاظتی آلات کی مدد سے مسلسل نظر میں رکھا جاتا ہے۔

کمپنی کا کاروبار اور عوامل قومی اور بین الاقوامی ایجنسیز کی طرف سے مطلوبہ عالمی معیار اور ریگولیٹری کی تعمیل کے لیے منظور شدہ ہیں۔ ہم نے درج ذیل مصنوعات، خدمات، انتظامات اور ماحولیاتی نظام کے معیارات کے لیے معتبر ایجنسیز کے ذریعے تھرڈ پارٹی سرٹیفیکیشن حاصل کر رکھی ہے۔

ڈائریکٹران کی رپورٹ

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معیاری انتظامی طریقہ کار	ISO 9001:2015
ماحولیاتی انتظامی طریقہ کار	ISO 14001:2015
مصنوعاتی معیارات، نامیاتی مواد معیارات	OCS-NL
مصنوعاتی معیارات، عالمی نامیاتی ٹیکسٹائلز معیارات	GOTS-NL
انسانی علم موسمیات اور یارن کے لیے مصنوعات کے معیارات	Oeko-Tex 100
انسانی علم موسمیات اور فیبرک کے لیے مصنوعات کے معیارات	Oeko-Tex 100
انسانی علم موسمیات اور ہوم ٹیکسٹائل کے لیے مصنوعات کے معیارات	Oeko-Tex 100
معاشرتی محاسبہ	SA 8000
گاہکوں سے شراکت کے لیے محاسباتی ڈیٹا بینک	SEDEX
ابتدائی اخلاقی تجارتی کوڈ	SMETA/ETI
ماحولیاتی، صحت اور معیاری ضروریات	Ecolabelling(SWAN)
مصری کاٹن ٹریڈ مارک	Egyptian Cotton Trade Mark
سپہما کاٹن ٹریڈ مارک	Supima Cotton Trade Mark

توانائی کی بچت:

کمپنی توانائی کی بچت کے لیے توانائی کے متبادل ذرائع میں سرمایہ کاری کی کوشش کر رہی ہے۔ اس ضمن میں مندرجہ ذیل اقدامات کی منصوبہ بندی یا تکمیل کی گئی ہے:

ڈانگ یونٹ میں کاسٹک ریکوری پلانٹ کی تنصیب کا منصوبہ زیر عمل ہے۔ یہ پلانٹ کیمیکل کی بحالی کرے گا اور ری سائیکلنگ کے عمل کے ذریعے لاگت میں کمی فراہم کرے گا۔ اس سے نکاسی کے پانی میں خطرناک مادوں کی بھی کمی واقع ہوگی۔ روایتی ٹیوب لائنس کو ایل ای ڈی لائنس کے ساتھ تبدیل کیا جا رہا ہے۔

کمپنی پراسیدنگ یونٹ کے لیے نکاسی آب کا ٹریٹمنٹ پلانٹ بھی چلا رہی ہے۔ یہ پلانٹ پانی کو ری سائیکل کرتا ہے اور نکاسی کے نظام پر پانی کے دباؤ کو کم کرتا ہے۔ صنعتی نکاس کے راستہ سے ذرات اور گیسو کو ہٹانے کے لیے کول سٹیم بوائیئر پرویٹ سکریور اور فضائی آلودگی کنٹرول کرنے والے آلات نصب کیے گئے ہیں۔ اس کے نتیجے میں ماحول کے تحفظ کے لیے تابکاری، زہریلے مادے اور دھول سے بچاؤ ہوتا ہے۔ ماحولیاتی تحفظ کے ادارے EPA نے ہمارے نکاسی آب کے ٹریٹمنٹ پلانٹ اور ویٹ سکریور کو قومی ماحولیاتی معیارات (NEQS) کے مطابق قرار دیا ہے۔

قومی خزانے میں حصہ:

سال کے دوران کمپنی نے براہ راست اور بالواسطہ محصولات کی شکل میں قومی خزانے میں 193 ملین روپے کا حصہ ڈالا اور اپنی مصنوعات کی برآمدات کے ذریعے 52 ملین ڈالر کا قابل قدر زرمبادلہ حاصل کیا۔

ڈائریکٹران کی رپورٹ

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ملازمین کے ریٹائرمنٹ کے فوائد:

کمپنی نے اپنے مالی معاملات آزادانہ طور پر انجام دینے کے لیے ایک "ایمپلائز پراویڈنٹ فنڈ ٹرسٹ" قائم کیا ہے۔ یہ ٹرسٹ انکم ٹیکس قوانین کے تحت منظور شدہ ہے اور اس کی آمدنی اور تعاون محصولات سے مستثنیٰ ہیں۔ یہ ملازمین کی طرف سے پیشگی رکنیت اور کمپنی سے اس کے برابر حصہ وصول کرتا ہے۔ مالی سال کے اختتام پر غیر آڈٹ شدہ اکاؤنٹس کے مطابق فنڈ کی سرمایہ کاری کی قدر 1,103 ملین روپے تھی۔ (مالی سال 2017 میں 1563 ملین روپے)

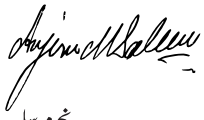
مستقبل کی منصوبہ بندی:

آگے کی طرف دیکھتے ہوئے، مختلف قسم کے عوامل کے زیر اثر ٹیکسٹائل کے برآمد کنندگان اور تیار کنندگان کے لیے بدستور دباؤ کا ماحول رہے گا۔ بجلی اور گیس کے ٹیرف میں متوقع اضافہ کے پیش نظر علاقائی حریفوں کی نسبت تیاری کی لاگت بڑھنے کی توقع ہے۔ پنجاب کی انڈسٹری کو زیادہ ہنگی R-NLG کی فراہمی کے نتیجے میں عوامل کی لاگت زیادہ ہونے کے باعث متعدد یونٹس بند ہو چکے ہیں۔ شرح سود میں مسلسل اضافہ بھی انڈسٹری کے لیے ایک بڑا چیلنج ہے۔ سال کے اختتام کے بعد سٹیٹ بینک آف پاکستان نے پالیسی ریٹ 100 بی پی ایس تک مزید اضافہ کر دیا ہے جس سے مقامی صنعت کی مسابقتی قوت مزید کمزور ہوگی۔

اگرچہ چیلنجز بہت بڑے ہیں لیکن ہم ہر ممکن طریقے سے بہترین کارکردگی دکھانے اور اپنے سٹیک ہولڈرز کے ہمراہ کمپنی کے طویل مدتی اہداف کو پورا کرنے کے لیے مکمل طور پر یکسو ہیں۔ اپنی مصنوعات کا معیار برقرار رکھنے اور قیمت فروخت پر منافع حاصل کرنے کے لیے ہم آئندہ سال بھی BMR کے تحت پلانٹ اور مشینری کو اپ گریڈ کرنا جاری رکھیں گے۔ بورڈ نے پہلے سے ہی مالی سال 2019 کے لیے ایک CapEX پلان کی منظوری دے دی ہے جسے سٹیٹ بینک آف پاکستان کے لاگ ٹرم فنڈنگ فیسیلیٹی کے تحت فنڈنگ کے اداروں کی طرف سے منظوری حاصل کرنے کے بعد لاگو کر دیا جائے گا۔

خدمات کا اعتراف:

بورڈ کی ایماء پر اس موقع پر ہم مسلسل تعاون پر اپنے کسٹمرز، فروخت کنندگان اور مالیاتی اداروں کو خراج تحسین پیش کرتے ہیں اور اظہار تشکر کرتے ہیں۔ ہم اپنے ملازمین کی مسلسل لگن اور کمپنی کے لیے خدمات پر اپنے ملازمین کو بھی خراج تحسین پیش کرتے ہیں۔



انجم محمد سلیم
ڈائریکٹر

مخائب: بورڈ آف ڈائریکٹرز



محمد انور

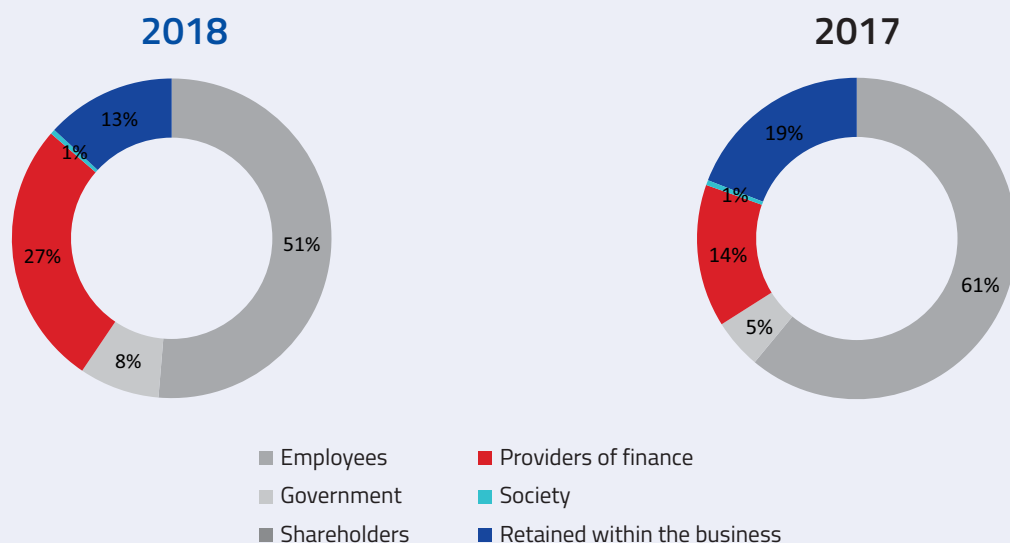
چیف ایگزیکٹو آفیسر

STATEMENT OF VALUE ADDITION

(Rupees in million)	2018	2017
Wealth Generated		
Revenue	11,314	10,873
Bought-in-material and services	8,945	8,885
	2,369	1,988
Wealth Distributed		
To Employees		
Salaries, wages and other benefits	1,216	1,212
To Government		
Taxes and duties	193	100
To Providers of Finance		
Finance cost	638	287
To Society		
Donation towards health and education	12	10
Retained within the business for future growth		
Retained earnings and depreciation*	311	379
	2,369	1,988

* Retained earnings excludes share of associate profit / loss and other comprehensive income.

Distribution of Wealth



PERFORMANCE INDICATORS

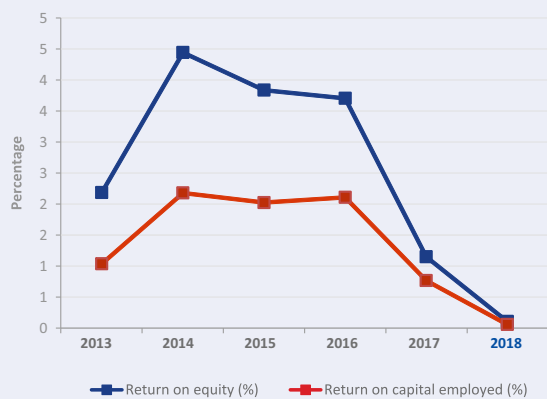
		2018	2017	2016	2015	2014	2013
A. PROFITABILITY RATIOS							
Gross profit ratio	%	9.72	8.94	12.67	12.37	11.08	11.22
Net profit to sales	%	0.07	1.04	2.37	1.87	1.93	0.84
EBITDA margin to sales *	%	8.40	5.83	8.71	8.32	8.32	8.04
Return on equity **	%	0.10	1.15	3.71	3.84	4.45	2.19
Return on capital employed **	%	0.05	0.76	2.11	2.02	2.18	1.03
B. LIQUIDITY RATIOS							
Current ratio	Times	0.88	0.90	0.90	0.81	0.76	0.71
Quick ratio	Times	0.55	0.59	0.62	0.58	0.51	0.48
Cash to current liabilities	%	0.04	0.06	0.14	0.08	0.11	0.08
Cash flow from operations to sales	%	3.97	2.79	1.01	6.50	9.11	8.40
C. ACTIVITY / TURNOVER RATIOS							
Inventory turnover	Times	4	5	6	7	7	8
No of days in inventory	Days	83	68	59	50	50	48
Debtor turnover	Times	5	5	4	5	5	4
No of days in receivables	Days	74	77	85	75	69	91
Creditors turnover	Times	8	10	9	10	11	7
No of days in payables	Days	45	35	39	37	33	52
Total assets turnover	Times	0.64	0.60	0.76	0.95	1.04	1.06
Property, plant and equipment turnover	Times	1.79	1.68	2.35	2.85	2.97	2.97
Operating cycle	Days	112	110	105	88	87	87
D. INVESTMENT / MARKET RATIO							
Basic and diluted earning per share	Rs	0.11	1.41	3.57	3.89	4.68	2.27
Price earning ratio	Times	238	27	5.45	5.43	4.38	7.78
Dividend Yield ratio ***	%	-	-	6.44	6.86	6.10	-
Dividend Payout ratio ***	%	-	-	40.00	40.45	26.69	-
Dividend Cover ratio ***	Times	-	-	2.85	2.68	3.75	-
Cash dividend ***	%	-	-	12.55	14.50	12.50	-
Stock dividend ***	%	-	-	-	-	-	-
Market value per share							
- At the end of the period	Rs	25.20	37.45	19.48	21.15	20.49	17.70
- Highest during the period	Rs	43.93	57.48	24.43	22.53	26.98	20.05
- Lowest during the period	Rs	24.48	19.50	17.30	16.24	13.35	8.60
Break up value	Rs	104.63	123.19	84.58	93.30	109.10	103.98
E. CAPITAL STRUCTURE RATIOS							
Financial leverage ratio **	Times	0.90	0.71	0.89	0.92	1.00	1.19
Weighted average cost of debt **	%	8.76	4.40	6.37	8.03	8.25	9.39
Long term debt to Equity ratio **	%	10.10	10.79	6.58	1.93	2.29	5.61
Interest Cover ratio **	Times	1.02	1.28	1.96	1.84	1.73	1.42

* EBITDA stands for earning before interest, taxes, depreciation and amortization.

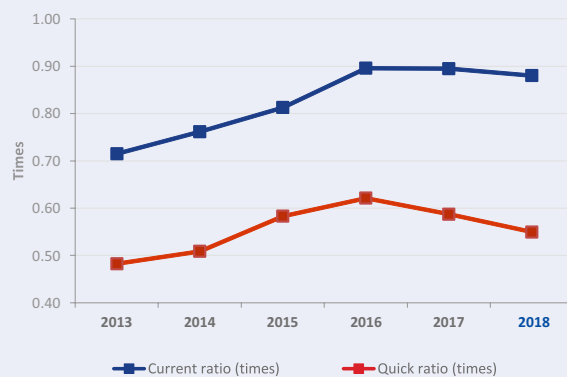
** The figures of comparative periods have been amended due to transfer of surplus on revaluation of operating fixed assets - net of deferred income tax to capital reserve as explained in Note 2.7 to the financial statements.

*** This includes final dividend recommended by Board of Directors subsequent to year end.

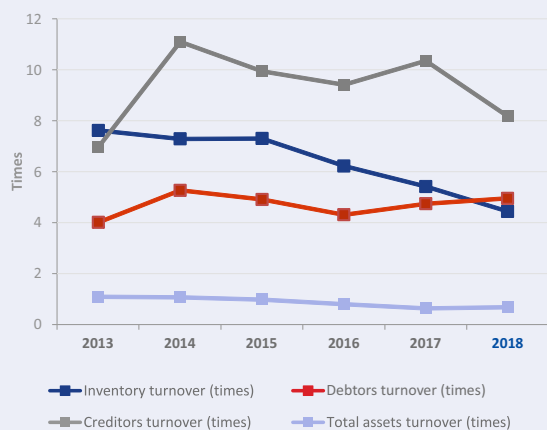
RETURN ON CAPITAL AND EQUITY



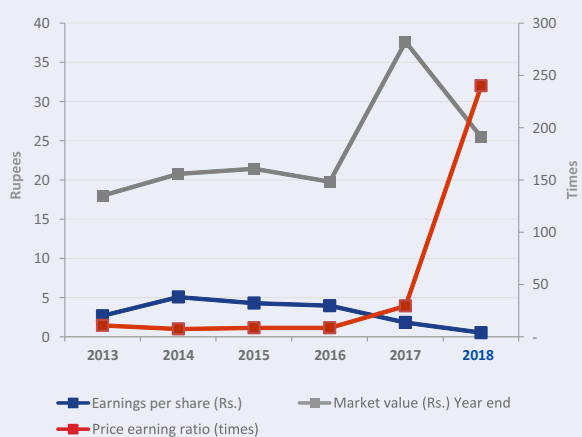
LIQUIDITY



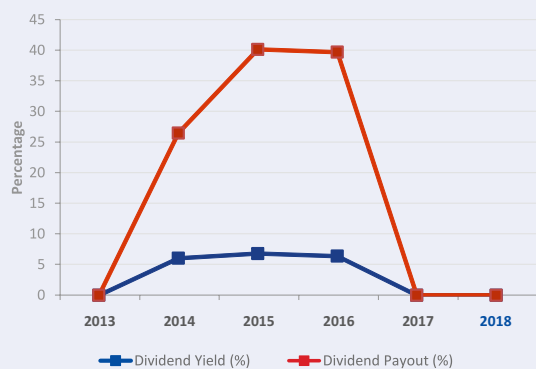
ASSET MANAGEMENT



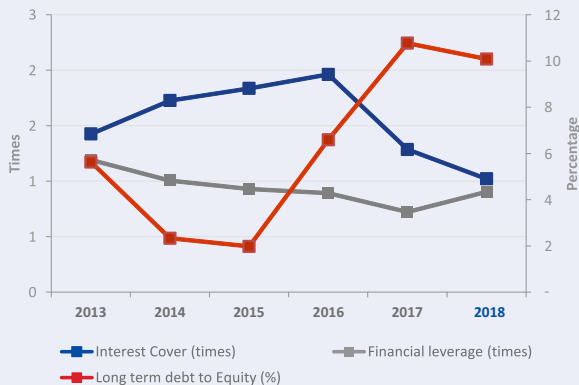
PER SHARE RESULT



DIVIDEND AND RETURNS



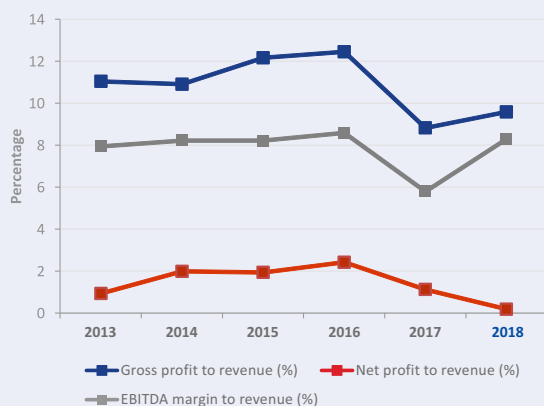
DEBT MANAGEMENT



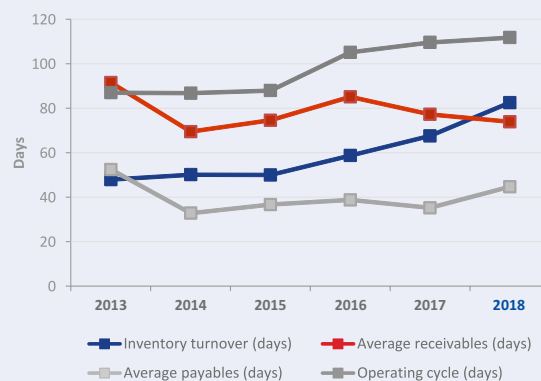
KEY OPERATING AND FINANCIAL DATA

(Rupees in million)	2018	2017	2016	2015	2014	2013
SUMMARY OF STATEMENT OF PROFIT OR LOSS						
Revenue	11,314	10,873	10,579	11,779	12,411	13,262
Gross profit	1,100	972	1,340	1,457	1,375	1,488
Profit from operations	648	368	774	761	863	802
Share of (loss) / profit from associate	-	-	(67)	26	(48)	29
Profit before taxation	10	81	347	358	343	247
Profit after taxation	8	113	251	220	239	112
SUMMARY OF STATEMENT OF FINANCIAL POSITION						
Property, plant and equipment	6,328	6,478	4,495	4,140	4,176	4,468
Stock-in-trade	2,589	2,029	1,636	1,338	1,490	1,541
Trade debts	2,346	2,236	2,366	2,567	2,248	2,476
Current assets	7,398	6,445	5,923	5,343	4,944	5,104
Non-Current assets held for sale	-	-	-	84		
Total assets	17,614	18,115	13,875	12,453	11,983	12,543
Shareholders equity	8,370	9,855	6,766	5,739	5,369	5,117
Long term financing	845	1,063	445	111	123	287
Trade and other payables	1,488	1,109	916	1,182	1,019	1,063
Short term borrowings	6,417	5,791	5,485	5,079	5,082	5,568
Current liabilities	8,399	7,197	6,606	6,571	6,491	7,139
Total equity and liabilities	17,614	18,116	13,875	12,453	11,983	12,543
SUMMARY OF STATEMENT OF CASH FLOWS						
Cash and cash equivalents at the beginning of the year	4	9	5	7	6	25
Net cash (used in) / from operating activities	(313)	(268)	(547)	104	434	379
Net cash (used in) / from investing activities	(164)	(785)	(467)	(223)	274	(110)
Net cash from / (used in) financing activities	476	1,048	1,018	117	(707)	(288)
Net (decrease) / increase in Cash and cash equivalents	(1)	(5)	4	(2)	1	(19)
Cash and cash equivalents at the end of the year	3	4	9	5	7	6

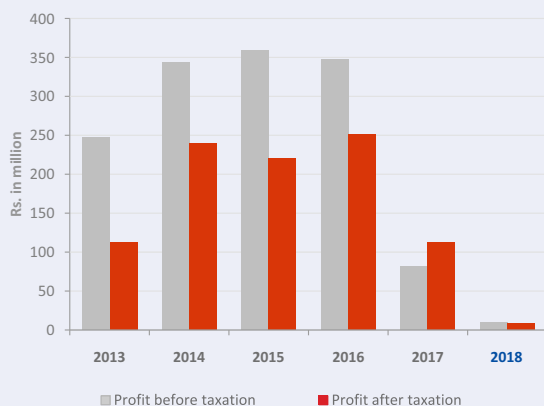
PROFITABILITY



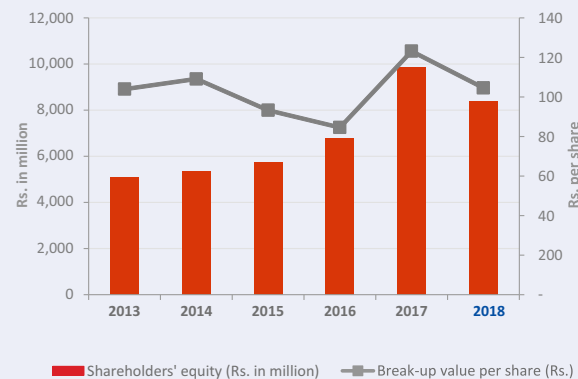
MANAGEMENT OF WORKING CAPITAL



PROFIT BEFORE AND AFTER TAX



SHAREHOLDERS' EQUITY AND BREAK-UP VALUE PER SHARE



VERTICAL ANALYSIS

for the last six financial years

(Rupees in million)	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%
STATEMENT OF FINANCIAL POSITION												
Property, plant and equipment	6,328	35.9	6,478	35.8	4,495	32.4	4,140	33.2	4,176	34.8	4,468	35.6
Intangible assets	12	0.1	18	0.1	-	-	-	-	-	-	2	0.0
Investment in an associate	-	-	-	-	-	-	336	2.7	311	2.6	358	2.9
Long term investments	3,736	21.2	5,167	28.5	3,449	24.9	2,541	20.4	2,540	21.2	2,553	20.4
Long term loans and advances	1	0.0	2	0.0	3	0.0	4	0.0	3	0.0	4	0.0
Long term deposits and prepayments	10	0.1	5	0.0	5	0.0	5	0.0	7	0.1	7	0.1
Deferred income tax asset	128	0.7	-	-	-	-	-	-	2	0.0	47	0.4
Stores, spare parts and loose tools	198	1.1	192	1.1	185	1.3	177	1.4	157	1.3	124	1.0
Stock-in-trade	2,589	14.7	2,029	11.2	1,636	11.8	1,338	10.7	1,490	12.4	1,541	12.3
Trade debts	2,346	13.3	2,236	12.3	2,366	17.1	2,567	20.6	2,248	18.8	2,476	19.7
Loans and advances	687	3.9	577	3.2	469	3.4	418	3.4	364	3.0	305	2.4
Short term deposits and prepayments	61	0.3	62	0.3	29	0.2	23	0.2	21	0.2	25	0.2
Accrued interest	3	0.0	4	0.0	4	0.0	5	0.0	4	0.0	5	0.0
Other receivables	1,416	8.0	1,253	6.9	1,131	8.2	744	6.0	571	4.8	566	4.5
Short term investments	94	0.5	88	0.5	94	0.7	66	0.5	82	0.7	56	0.4
Cash & bank balances	3	0.0	4	0.0	9	0.1	5	0.0	7	0.1	6	0.0
Non-Current assets held for sale	-	-	-	-	-	-	84	0.7	-	-	-	-
TOTAL ASSETS	17,614	100	18,115	100	13,875	100	12,453	100	11,983	100	12,543	100
Issued, subscribed and paid up share capital	800	4.5	800	4.4	800	5.8	615	4.9	492	4.1	492	3.9
Reserves	4,003	22.7	5,480	30.3	3,752	27.0	2,833	22.7	2,586	21.6	2,334	18.6
Surplus on revaluation of operating fixed assets	3,568	20.3	3,575	19.7	2,214	16.0	2,291	18.4	2,291	19.1	2,291	18.3
Shareholders equity	8,370	47.5	9,855	54.4	6,766	48.8	5,739	46.1	5,369	44.8	5,117	40.8
Long term financing	845	4.8	1,063	5.9	445	3.2	100	0.8	79	0.7	210	1.7
Liabilities against assets subject to finance lease	-	-	-	-	-	-	11	0.1	44	0.4	77	0.6
Deferred income tax liability	-	-	-	-	58	0.4	32	0.3	-	-	-	-
Trade and other payables	1,488	8.4	1,109	6.1	916	6.6	1,182	9.5	1,019	8.5	1,063	8.5
Unclaimed dividend	10	0.1	10	0.1	9	0.1	9	0.1	7	0.1	7	0.1
Accrued mark-up	86	0.5	66	0.4	60	0.4	85	0.7	97	0.8	161	1.3
Short term borrowings	6,417	36.4	5,791	32.0	5,485	39.5	5,079	40.8	5,082	42.4	5,568	44.4
Current portion of non-current liabilities	258	1.5	190	1.0	66	0.5	112	0.9	164	1.4	221	1.8
Provision for taxation	141	0.8	31	0.2	70	0.5	104	0.8	122	1.0	119	0.9
TOTAL EQUITY AND LIABILITIES	17,614	100	18,115	100	13,875	100	12,453	100	11,983	100	12,543	100
STATEMENT OF PROFIT OR LOSS												
Revenue	11,314	100.0	10,873	100.0	10,579	100.0	11,779	100.0	12,411	100.0	13,262	100.0
Cost of sales	10,214	90.3	9,901	91.1	9,239	87.3	10,322	87.6	11,036	88.9	11,774	88.8
Gross profit	1,100	9.7	972	8.9	1,340	12.7	1,457	12.4	1,375	11.1	1,488	11.2
Distribution cost	468	4.1	644	5.9	633	6.0	648	5.5	611	4.9	686	5.2
Administrative expenses	295	2.6	300	2.8	283	2.7	234	2.0	195	1.6	187	1.4
Other expenses	14	0.1	10	0.1	26	0.2	63	0.5	67	0.5	19	0.1
Other income	325	2.9	350	3.2	376	3.6	249	2.1	361	2.9	206	1.6
Profit from operations	648	5.7	368	3.4	774	7.3	761	6.5	863	7.0	802	6.0
Finance cost	638	5.6	287	2.6	360	3.4	429	3.6	472	3.8	584	4.4
Share of (loss) / profit from associate	-	-	-	-	(67)	(0.6)	26	0.2	(48)	(0.4)	29	0.2
Profit before taxation	10	0.1	81	0.7	347	3.3	358	3.0	343	2.8	247	1.9
Taxation	2	0.0	(32)	(0.3)	96	0.9	138	1.2	104	0.8	135	1.0
Profit after taxation	8	0.1	113	1.0	251	2.4	220	1.9	239	1.9	112	0.8

HORIZONTAL ANALYSIS

for the last six financial years

(Rupees in million)	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%
STATEMENT OF FINANCIAL POSITION												
Property, plant and equipment	6,328	(2.3)	6,478	44.1	4,495	8.6	4,140	(0.9)	4,176	(6.5)	4,468	14.4
Intangible assets	12	(32.6)	18	100.0	-	-	-	-	-	(100.0)	2	(50.0)
Investment in an associate	-	-	-	-	-	(100)	336	8.0	311	(13.1)	358	8.8
Long term investments	3,736	(27.7)	5,167	49.8	3,449	35.7	2,541	0.0	2,540	(0.5)	2,553	11.6
Long term loans and advances	1	(45.9)	2	(33.3)	3	(25.0)	4	33.3	3	(25.0)	4	33.3
Long term deposits and prepayments	10	105.5	5	-	5	-	5	(28.6)	7	-	7	-
Deferred income tax asset	128	100	-	-	-	-	-	(100)	2	(95.7)	47	(25.4)
Stores, spare parts and loose tools	198	3.1	192	3.8	185	4.5	177	12.7	157	26.6	124	(18.4)
Stock-in-trade	2,589	27.6	2,029	24.0	1,636	22.3	1,338	(10.2)	1,490	(3.3)	1,541	(0.6)
Trade debts	2,346	4.9	2,236	(5.5)	2,366	(7.8)	2,567	14.2	2,248	(9.2)	2,476	(40.7)
Loans and advances	687	19.1	577	22.9	469	12.2	418	14.8	364	19.3	305	14.2
Short term deposits and prepayments	61	(2.1)	62	113.8	29	26.1	23	9.5	21	(16.0)	25	(39.0)
Accrued interest	3	(20.5)	4	-	4	(20.0)	5	25.0	4	(20.0)	5	25.0
Other receivables	1,416	13.0	1,253	10.8	1,131	52.0	744	30.3	571	0.9	566	60.3
Short term investments	94	7.3	88	(6.4)	94	42.4	66	(19.5)	82	46.4	56	12.0
Cash & bank balances	3	(14.7)	4	(55.6)	9	80.0	5	(28.6)	7	16.7	6	(76.0)
Non-Current assets held for sale	-	-	-	-	-	-	84	100	-	-	-	-
TOTAL ASSETS	17,614	(2.8)	18,115	30.6	13,875	11.4	12,453	3.9	11,983	(4.5)	12,543	(5.1)
Issued, subscribed and paid up share capital	800	-	800	-	800	30.1	615	25.0	492	-	492	-
Reserves	4,003	(27.0)	5,480	46.1	3,752	32.4	2,833	9.6	2,586	10.8	2,334	19.7
Surplus on revaluation of operating fixed assets	3,568	(0.2)	3,575	61.5	2,214	(3.4)	2,291	-	2,291	-	2,291	39.7
Shareholders equity	8,370	(15.1)	9,855	45.7	6,766	17.9	5,739	6.9	5,369	4.9	5,117	109.5
Long term financing	845	(21)	1,063	139	445	345	100	26.6	79	(62.4)	210	(47.6)
Liabilities against assets subject to finance lease	-	-	-	-	-	-	11	(75.0)	44	(42.9)	77	(21.4)
Deferred income tax liability	-	-	-	-	58	81.3	32	100	-	-	-	-
Trade and other payables	1,488	34.1	1,109	21.1	916	(22.5)	1,182	15.9	1,019	(4.1)	1,063	(57.4)
Unclaimed dividend	10	(1.3)	10	10.1	9	(6.6)	9	37.9	7	(0.0)	7	1.0
Accrued mark-up	86	29.7	66	10.0	60	(29.4)	85	(12.4)	97	(39.8)	161	11.0
Short term borrowings	6,417	10.8	5,791	5.6	5,485	8.0	5,079	(0.1)	5,082	(8.7)	5,568	(0.5)
Current portion of non-current liabilities	258	35.8	190	187.9	66	(41.1)	112	(31.7)	164	(25.8)	221	(17.2)
Provision for taxation	141	353.6	31	(55.7)	70	(32.7)	104	(14.8)	122	2.5	119	(1.7)
TOTAL EQUITY AND LIABILITIES	17,614	(2.8)	18,115	30.6	13,875	11.4	12,453	3.9	11,983	(4.5)	12,543	8.4
STATEMENT OF PROFIT OR LOSS												
Revenue	11,314	4.1	10,873	2.8	10,579	(10.2)	11,779	(5.1)	12,411	(6.4)	13,262	4.2
Cost of sales	10,214	3.2	9,901	7.2	9,239	(10.5)	10,322	(6.5)	11,036	(6.3)	11,774	5.0
Gross profit	1,100	13.2	972	(27.5)	1,340	(8.0)	1,457	6.0	1,375	(7.6)	1,488	(1.7)
Distribution cost	468	(27.3)	644	1.7	633	(2.3)	648	6.1	611	(10.9)	686	9.1
Administrative expenses	295	(1.7)	300	6.0	283	20.9	234	20.0	195	4.3	187	(6.5)
Other expenses	14	42.4	10	(61.5)	26	(58.7)	63	(6.0)	67	252.6	19	46.2
Other income	325	(7.2)	350	(6.9)	376	51.0	249	(31.0)	361	75.2	206	6.2
Profit from operations	648	76.1	368	(52.5)	774	1.7	761	(11.8)	863	7.6	802	(7.4)
Finance cost	638	122.2	287	(20.3)	360	(16.0)	429	(9.2)	472	(19.2)	584	(23.3)
Share of (loss) / profit from associate	-	-	-	-	(67)	(357.7)	26	(154.2)	(48)	(265.5)	29	(123.6)
Profit before taxation	10	(87)	81	(77)	347	(3)	358	5	343	39	247	(1,472)
Taxation	2	(105.4)	(32)	(133.3)	96	(30.4)	138	32.7	104	(23.0)	135	36.4
Profit after taxation	8	(92.5)	113	(55.0)	251	13.8	220	(7.7)	239	113.5	112	(195.7)

STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2017

The Crescent Textile Mills Limited ("the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2017 ("the Regulations") in the following manner:

1. The total number of directors are eight as per the following.
 - a. Male: Eight
 - b. Female: Exempted for current term

2. The composition of the Board of Directors ("the Board") is as follows:

Category	Name
Independent Director	Mr. Muhammad Arshad
Executive Directors	Mr. Ahmad Shafi
	Mr. Muhammad Anwar
Non-Executive Directors	Mr. Amjad Mehmood
	Mr. Anjum Muhammad Saleem
	Mr. Khalid Bashir
	Mr. Khurram Mazhar Karim
	Mr. Shaukat Shafi

3. Directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / Shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board remained fully compliant with the provision with regard to their training program. The majority of the Board members have the prescribed qualifications and experience required for exemption from training program of directors pursuant to regulation 20 of the Regulations.

STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2017

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Mr. Khalid Bashir	(Chairman)
Mr. Anjum Muhammad Saleem	(Member)
Mr. Khurram Mazhar Karim	(Member)

We shall appoint independent director as Chairman of the Audit Committee in due course.

b) HR and Remuneration Committee

Mr. Khalid Bashir	(Chairman)
Mr. Ahmad Shafi	(Member)
Mr. Anjum Muhammad Saleem	(Member)

We shall appoint independent director as member of HR and Remuneration Committee in due course.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the aforesaid committees were as per following:

a) Audit Committee: Five meetings during the financial year ended 30 June 2018

b) HR and Remuneration Committee: one meeting during the financial year ended 30 June 2018

15. The board has set up an effective internal audit function which comprises the persons who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2017

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

For and on behalf of the Board of Directors



Muhammad Anwar
Chief Executive Officer



Shaukat Shafi
Chairman

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 ("the Regulations") prepared by the Board of Directors of THE CRESCENT TEXTILE MILLS LIMITED ("the Company") for the year ended 30 June 2018 in accordance with the requirements of Regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2018.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Paragraph Reference	Description
12(a)	Independent director is not appointed either as Chairman or as a member of the Audit Committee
12(b)	Independent director is not appointed as a member of HR and Remuneration Committee

RIAZ AHMAD & COMPANY

Chartered Accountants



Date: September 27, 2018

Faisalabad

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the annexed financial statements of The Crescent Textile Mills Limited ('the Company'), which comprise the statement of financial position as at 30 June 2018, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of the profit, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Sr. #	Key audit matters	How the matter was addressed in our audit
1.	Inventory existence and valuation Inventories as at 30 June 2018 amounting to Rupees 2,786.988 million represented a material position in the statement of financial position, break up of which is as follows: - Stores, spare parts and loose tools of Rupees 198.030 million - Stock-in-trade of Rupees 2,588.958 million The business is characterized by high volume serial production and the valuation and existence of inventories are significant to the business. Therefore, considered as one of the key audit matters.	Our procedures over existence and valuation of inventory included, but were not limited to: ▪ To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. ▪ For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Inventories are stated at lower of cost and net realizable value. Cost is determined as per accounting policy disclosed in Note 2.11 to the financial statements.

At year end, the valuation of inventories is reviewed by management and the cost of inventories is reduced where it is forecasted to be sold below cost.

Usable stores, spare parts and loose tools are valued at moving average cost, raw materials are valued at weighted average cost whereas, costing of work-in-process and finished goods is considered to carry more significant risk as the cost of material, labor and manufacturing overheads is allocated on the basis of complex formulas and involves management judgment.

The determination of whether inventories will be realized for a value less than cost requires management to exercise judgment and apply assumptions. Management undertake the following procedures for determining the level of write down required:

- Use inventory ageing reports together with historical trends to estimate the likely future salability of slow moving and older inventory items.
- Perform a line-by-line analysis of remaining inventories to ensure it is stated at the lower of cost and net realizable value and a specific write down is recognized, if required.

For further information on inventories, refer to the following:

- Summary of significant accounting policies, Inventories (Note 2.11 to the financial statements).
- Stores, spare parts and loose tools (Note 17) and Stock-in-trade (Note 18) to the financial statements.

- We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice.

- On a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any.

- In the context of our testing of the calculation, we analyzed individual cost components and traced them back to the corresponding underlying documents.

- We also made enquires of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.

- We also assessed the adequacy of the disclosures made in respect of the accounting policies and related notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

2. Recoverability of deferred income tax asset

Under International Accounting Standard 12 "Income Taxes", the Company is required to review recoverability of the deferred income tax asset recognized in the statement of financial position at each reporting period.

Recognition of deferred income tax asset is dependent on management's estimate of availability of sufficient future taxable profits against which carried forward losses and tax credits can be utilized. The future taxable profits are based on approved management's projections. This estimation is inherently uncertain and requires judgement in relation to the future cash flows and also involves assessment of timing of reversals of unused tax losses and tax credits.

As at 30 June 2018, the Company have recognized deferred income tax asset amounting to Rupees 280.322 million on unused tax losses, on carried forwarded minimum tax and on provision for doubtful debts.

We considered this as key audit matter due to significant value of deferred income tax asset and significant management judgement regarding assumptions used in this area.

For further information on deferred income tax asset, refer to the following:

- Summary of significant accounting policies, Taxation (Note 2.6 to the financial statements).
- Deferred income tax asset (Note 7 to the financial statements).

We performed procedures that included:

- We obtained understanding of the income taxes process, and evaluated the design and tested management's controls over the calculation of the deferred income tax asset and the review of the future recoverability;
- We tested management's computation of unused tax losses, carried forwarded minimum tax and provision for doubtful debts for which deferred income tax assets were recognized;
- We analyzed the requirements of Income Tax Ordinance, 2001, in relation to above and considering the ageing analysis, expiry periods of relevant deferred income tax assets and tax rates enacted in consultation with our in house tax specialist;
- We assessed the reasonableness of cash flow projection, taxable profits projections, challenging and performing audit procedures on assumptions such as growth rate, production patterns, future revenue and costs, by comparing the assumptions to historical results, approved budget and comparing the current year's results with prior year forecast and other relevant information for assessing the quality of Company's forecasting process in determining the future taxable profits;
- We tested mathematical accuracy of future projections and the use of appropriate tax rate applicable on temporary differences; and
- We assessed the appropriateness of management's accounting for deferred taxes and the accuracy of related disclosures in accordance with the accounting and reporting standards.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

3. Preparation of financial statements under the Companies Act, 2017

The Companies Act, 2017 (the Act) became applicable for the first time for the preparation of the Company's annual financial statements for the year ended 30 June 2018.

The Act forms an integral part of the statutory financial reporting framework as applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.

In case of the Company, specific additional disclosures and changes to the existing disclosures have been included in the financial statements.

The above changes and enhancements in the financial statements are considered important and a key audit matter because of the volume and significance of the changes in the financial statements resulting from the transition to the new reporting requirements under the Act.

For further information, refer to Note 2.1(b) to the financial statements.

Our procedures included, but were not limited to:

- We assessed the procedures applied by the management for identification of the changes required in the financial statements due to the application of the Act.
- We considered the adequacy and appropriateness of the additional disclosures and changes to the previous disclosures based on the new requirements.
- We verified on test basis the supporting evidences for the additional disclosures and ensured appropriateness of the disclosures made.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Company and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mubashar Mehmood.

RIAZ AHMAD & COMPANY

Chartered Accountants



Date: September 27, 2018

Faisalabad

STATEMENT OF FINANCIAL POSITION

as at June 30, 2018

(Rupees in '000')	Note	2018	2017 Restated	2016 Restated
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized share capital				
100 000 000 (2017: 100 000 000)				
ordinary shares of Rupees 10 each		1,000,000	1,000,000	1,000,000
Issued, subscribed and paid up share capital	3	800,000	800,000	800,000
Capital reserves				
Premium on issue of right shares	4.1	200,169	200,169	200,169
Fair value reserve	4.1	1,225,974	2,719,389	1,004,101
Surplus on revaluation of operating fixed assets - net of deferred income tax	5	3,567,516	3,575,108	2,214,012
Revenue reserves	4.2	2,576,670	2,560,628	2,547,664
TOTAL EQUITY		8,370,329	9,855,294	6,765,946
LIABILITIES				
NON-CURRENT LIABILITIES				
Long term financing	6	845,071	1,063,253	445,371
Deferred income tax liability	7	-	261	58,026
		845,071	1,063,514	503,397
CURRENT LIABILITIES				
Trade and other payables	8	1,488,144	1,108,670	916,264
Unclaimed dividend		9,513	9,634	8,749
Accrued mark-up	9	85,596	65,388	59,941
Short term borrowings	10	6,416,791	5,790,390	5,484,784
Current portion of non-current liabilities	6	258,038	190,376	65,745
Provision for taxation		140,604	31,291	70,227
		8,398,686	7,195,749	6,605,710
TOTAL LIABILITIES		9,243,757	8,259,263	7,109,107
CONTINGENCIES AND COMMITMENTS				
	11			
TOTAL EQUITY AND LIABILITIES		17,614,086	18,114,557	13,875,053

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

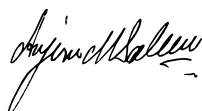


Muhammad Anwar
Chief Executive Officer

STATEMENT OF FINANCIAL POSITION

as at June 30, 2018

(Rupees in '000')	Note	2018	2017	2016
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	12	6,328,138	6,478,358	4,494,639
Intangible asset	13	12,139	18,472	-
Long term investments	14	3,736,188	5,166,546	3,449,038
Long term loans and advances	15	1,082	1,924	2,867
Long term deposits and prepayments	16	10,276	5,148	5,288
Deferred income tax asset	7	127,820	-	-
		10,215,643	11,670,448	7,951,832
CURRENT ASSETS				
Stores, spare parts and loose tools	17	198,030	191,530	185,062
Stock-in-trade	18	2,588,958	2,029,134	1,635,911
Trade debts	19	2,346,338	2,236,170	2,365,485
Loans and advances	20	687,038	576,628	469,018
Short term deposits and prepayments	21	60,714	62,086	29,450
Accrued interest	22	3,181	3,861	4,109
Other receivables	23	1,416,322	1,252,529	1,130,440
Short term investment	24	94,449	88,276	94,449
Cash and bank balances	25	3,413	3,895	9,297
		7,398,443	6,444,109	5,923,221
TOTAL ASSETS		17,614,086	18,114,557	13,875,053



Anjum Muhammad Saleem
Director



Asim Siddique
Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

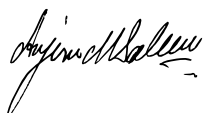
for the Year Ended June 30, 2018

(Rupees in '000')	Note	2018	2017
Revenue	26	11,314,259	10,872,762
Cost of sales	27	(10,214,002)	(9,900,768)
Gross profit		1,100,257	971,994
Distribution cost	28	(468,190)	(643,674)
Administrative expenses	29	(294,791)	(299,804)
Other expenses	30	(14,244)	(10,169)
		(777,225)	(953,647)
		323,032	18,347
Other income	31	324,846	349,609
Profit from operations		647,878	367,956
Finance cost	32	(637,703)	(286,816)
Profit before taxation		10,175	81,140
Taxation	33	(1,720)	32,199
Profit after taxation		8,455	113,339
Earnings per share - Basic and diluted (Rupees)	34	0.11	1.42

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



Muhammad Anwar
Chief Executive Officer



Anjum Muhammad Saleem
Director



Asim Siddique
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

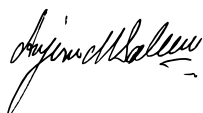
for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
		Restated
Profit after taxation	8,455	113,339
Other comprehensive (loss) / income		
Items that will not be reclassified subsequently to profit or loss:		
Surplus on revaluation of operating fixed assets	-	1,361,245
Related deferred income tax adjustment	-	(153)
	-	1,361,092
Items that may be reclassified subsequently to profit or loss:		
(deficit) / surplus arising on measurement of available for sale investments to fair value	(1,493,415)	1,777,598
Reclassification adjustment for gain realized on redemption of available for sale investments	-	(62,310)
	(1,493,415)	1,715,288
Other comprehensive (loss) / income for the year	(1,493,415)	3,076,380
Total comprehensive (loss) / income for the year	(1,484,960)	3,189,719

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



Muhammad Anwar
Chief Executive Officer



Anjum Muhammad Saleem
Director



Asim Siddique
Chief Financial Officer

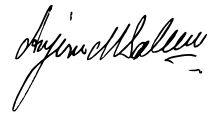
STATEMENT OF CHANGES IN EQUITY

for the Year Ended June 30, 2018

(Rupees in '000')	SHARE CAPITAL	RESERVES									TOTAL EQUITY
		CAPITAL RESERVES				REVENUE RESERVES				TOTAL	
		Premium on issue of rihgt shares	Fair value	Surplus on revaluation of operating fixed assets - net of deferred income tax	Sub total	General	Dividend equalization	Unappropriated profit	Sub total		
Balance as at 30 June 2016	800,000	200,169	1,004,101	-	1,204,270	1,773,643	30,000	744,021	2,547,664	3,751,934	4,551,934
Impact of restatement - Note 2.7.1	-	-	-	2,214,012	2,214,012	-	-	-	-	2,214,012	2,214,012
Balance as at 30 June 2016 - restated	800,000	200,169	1,004,101	2,214,012	3,418,282	1,773,643	30,000	744,021	2,547,664	5,965,946	6,765,946
Transaction with owners:											
- Final dividend for the year ended 30 June 2016 at the rate of Rupees 1.255 per share	-	-	-	-	-	-	-	(100,400)	(100,400)	(100,400)	(100,400)
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	(25)	(25)	-	-	25	25	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	29	29	-	-	-	-	29	29
Profit for the year	-	-	-	-	-	-	-	113,339	113,339	113,339	113,339
Other comprehensive income for the year - restated	-	-	1,715,288	1,361,092	3,076,380	-	-	-	-	3,076,380	3,076,380
Total comprehensive income for the year - restated	-	-	1,715,288	1,361,092	3,076,380	-	-	113,339	113,339	3,189,719	3,189,719
Balance as at 30 June 2017 - restated	800,000	200,169	2,719,389	3,575,108	6,494,666	1,773,643	30,000	756,985	2,560,628	9,055,294	9,855,294
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax											
-	-	-	-	(41)	(41)	-	-	41	41	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	5	5	-	-	-	-	5	5
Transfer from surplus on revaluation of operating fixed assets on disposal of operating fixed assets	-	-	-	(7,546)	(7,546)	-	-	7,546	7,546	-	-
Profit for the year	-	-	-	-	-	-	-	8,455	8,455	8,455	8,455
Other comprehensive loss for the year	-	-	(1,493,415)	-	(1,493,415)	-	-	-	-	(1,493,415)	(1,493,415)
Total comprehensive loss for the year	-	-	(1,493,415)	-	(1,493,415)	-	-	8,455	8,455	(1,484,960)	(1,484,960)
Balance as at 30 June 2018	800,000	200,169	1,225,974	3,567,526	4,993,669	1,773,643	30,000	773,027	2,576,670	7,570,339	8,370,339

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


Muhammad Anwar
Chief Executive Officer


Anjum Muhammad Saleem
Director


Asim Siddique
Chief Financial Officer

STATEMENT OF CASH FLOWS

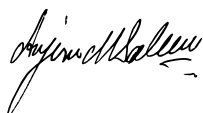
for the Year Ended June 30, 2018

(Rupees in '000')	Note	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	35	449,574	302,928
Finance cost paid		(617,495)	(280,534)
Income tax paid		(138,552)	(177,658)
Dividend paid		(121)	(99,515)
Workers' profit participation fund paid		(1,032)	(14,387)
Net decrease in long term loans and advances		842	943
Net (increase) / decrease in long term deposits and prepayments		(5,128)	140
Net cash used in operating activities		(311,912)	(268,083)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(168,339)	(920,227)
Capital expenditure on intangible asset		-	(19,000)
Proceeds from sale of property, plant and equipment		22,409	44,483
Investment made		(70,353)	-
Proceeds from sale of available for sale investments		-	66,263
Dividend received		51,832	43,043
Net cash used in investing activities		(164,451)	(785,438)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		39,856	808,258
Repayment of long term financing		(190,376)	(54,733)
Repayment of liabilities against assets subject to finance lease		-	(11,012)
Short term borrowings - net		626,401	305,606
Net cash from financing activities		475,881	1,048,119
Net decrease in cash and cash equivalents		(482)	(5,402)
Cash and cash equivalents at the beginning of the year		3,895	9,297
Cash and cash equivalents at the end of the year (Note 25)		3,413	3,895

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



Muhammad Anwar
Chief Executive Officer



Anjum Muhammad Saleem
Director



Asim Siddique
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

1. THE COMPANY AND ITS ACTIVITIES

The Crescent Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017). The registered office of the Company is situated at 45-A, Off: Zafar Ali Road, Gulberg-V, Lahore, Punjab. Its shares are quoted on Pakistan Stock Exchange Limited. The Company is engaged in the business of textile manufacturing comprising of spinning, combing, weaving, dyeing, bleaching, printing, stitching, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber(s) and to generate, accumulate, distribute, supply and sale of electricity. The Company also operates a cold storage unit. Head office and production units are situated at Sargodha Road, Faisalabad, Punjab except weaving unit and cold storage unit which are situated at Industrial Estate, Hattar, Tehsil Khanpur, District Haripur, Khyber Pakhtunkhwa and Sargodha Road, Chinot, Punjab respectively.

1.1 Summary of significant transactions and events affecting the Company's financial position and performance

- a) The exchange rate of US Dollar to Pakistan Rupees (PKR) has increased from PKR 104.80 as 30 June 2017 to PKR 121.60 as at 30 June 2018.
- b) Due to applicability of the Companies Act, 2017 to the financial statements of the Company, some of the amounts reported for the previous period have been reclassified and restated. For detailed information please refer to Note 2.1(b) and Note 2.7.1.
- c) For a detailed discussion about the Company's performance please refer to the Directors' report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

"These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed."

b) Preparation of financial statements under the Companies Act, 2017

The fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for preparation of these financial statements. The Companies Act, 2017 (including its fourth schedule) forms an integral part of the statutory financial reporting framework applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.

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Change in accounting policy of surplus on revaluation of operating fixed assets (Note 2.7.1) and additional disclosures include but are not limited to, particulars of immovable assets of the Company (Note 12.1.5), disclosure of export sales debtors (Note 19.1), management's assessment of sufficiency of tax provision in the financial statements (Note 33.3), change in threshold for identification of executives (Note 36), additional disclosure requirements for related parties (Note 39) etc.

c) **Accounting convention**

These financial statements have been prepared under the historical cost convention, except for the freehold and leasehold land measured at revalued amounts and certain financial instruments carried at fair value.

d) **Critical accounting estimates and judgments**

The preparation of 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 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. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives, patterns of economic benefits and impairments

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales.

Taxation

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Provision for doubtful debts

The Company reviews its receivable balances against any provision required for any doubtful balances on an ongoing basis. The provision is made while taking into consideration expected recoveries, if any.

e) **Amendments to published approved accounting standards that are effective in current year and are relevant to the Company**

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2017:

International Accounting Standard (IAS) 7 (Amendments), 'Statement of Cash Flows' (effective for annual periods beginning on or after 01 January 2017). Amendments have been made to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing

NOTES TO THE FINANCIAL STATEMENTS

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activities. The aforesaid amendments have resulted in certain additional disclosures in the Company's financial statements.

IAS 12 (Amendments), 'Income Taxes' (effective for annual periods beginning on or after 01 January 2017). The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments have no significant impact on the Company's financial statements.

The application of the above amendments does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

- f) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are other amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2017 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

- g) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards, interpretations and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2018 or later periods:

IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 01 July 2018). A finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 'Financial Instruments: Recognition and Measurement'. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner as under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk. The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized. It introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. The requirements for the de-recognition of financial assets and liabilities are carried forward from IAS 39. The management of the Company is in the process of evaluating the impacts of the aforesaid standard on the Company's financial statements.

IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 01 July 2018). IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are: identify the contract with the customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contracts; and recognize revenue when (or as) the entity satisfies a performance obligation. Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling

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and obtaining a contract and various related matters. New disclosures about revenue are also introduced. The aforesaid standard is not expected to have a material impact on the Company's financial statements.

IFRS 16 'Lease' (effective for annual periods beginning on or after 01 January 2019). IFRS 16 specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16 approach to lessor accounting substantially unchanged from its predecessor, IAS 17 'Leases'. IFRS 16 replaces IAS 17, IFRIC 4 'Determining Whether an Arrangement Contains a Lease', SIC-15 'Operating Leases-Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. The aforesaid standard is not expected to have a material impact on the Company's financial statements.

Amendments to IFRS 9 (effective for annual periods beginning on or after 01 January 2019) clarify that for the purpose of assessing whether a payment feature meets the Solely Payments of Principal and Interest ('SPPI') condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. The amendments are not likely to have significant impact on the Company's financial statements.

IFRS 15 (Amendments), 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 01 July 2018). Amendments clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations and licensing) and to provide some transition relief for modified contracts and completed contracts. The aforesaid amendments are not expected to have a material impact on the Company's financial statements.

IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 01 January 2018). IFRIC 22 clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The interpretation is not expected to have a material impact on the Company's financial statements.

IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019). The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'. It specifically considers: whether tax treatments should be considered collectively; assumptions for taxation authorities' examinations; the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and the effect of changes in facts and circumstances. The interpretation is not expected to have a material impact on the Company's financial statements.

On 12 December 2017, IASB issued Annual Improvements to IFRS Standards: 2015-2017 Cycle, incorporating amendments to four IFRSs more specifically in IAS 12 'Income Taxes' and IAS 23 'Borrowing Costs' relevant to the

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Company. The amendments are effective for annual periods beginning on or after 01 January 2019. The amendments have no significant impact on the Company's financial statements and have therefore not been analyzed in detail.

On 29 March 2018, the IASB issued a revised Conceptual Framework. The new Framework reintroduces the terms stewardship and prudence; introduces a new asset definition that focuses on rights and new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument; removes from the asset and liability definitions references to the expected flow of economic benefits - this lowers the hurdle for identifying the existence of an asset or liability and puts more emphasis on reflecting uncertainty in measurement; discusses historical cost and current value measures, and provides some guidance on how the IASB would go about selecting a measurement basis for a particular asset or liability; states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances will the IASB use other comprehensive income and only for income or expenses that arise from a change in the current value of an asset or liability; and discusses uncertainty, de-recognition, unit of account, the reporting entity and combined financial statements. The Framework is not an IFRS and does not override any standard, so nothing will change in short term. The revised Framework will be used in future standard-setting decisions, but no changes will be made to current IFRSs. Preparers might also use the Framework to assist them in developing accounting policies where an issue is not addressed by an IFRS. It is effective for annual periods beginning on or after 01 January 2020 for preparers that develop an accounting policy based on the Framework.

- h) Standards and amendments to published approved accounting standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2018 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Employees retirement benefit

The Company operates a recognized provident fund for all its permanent employees. Equal monthly contributions are made to the fund both by the Company and the employees at the rate of 6.25 percent of the basic salary plus cost of living allowance. Obligation for contributions to defined contribution plan is recognized as an expense in the statement of profit or loss as and when incurred. Employees are eligible under the scheme on completion of prescribed qualifying period of service.

2.3 Liabilities against assets subject to finance lease

Leases, where the Company has substantially all the risks and rewards of ownership of assets are classified as finance leases. At inception, finance leases are recorded at the lower of present value of minimum lease payments under the lease agreement and the fair value of the assets. The related rental obligations, net of finance cost, are included in liabilities against assets subject to finance lease. The liabilities are classified as current and non-current depending upon the timing of the payment. Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to the statement of profit or loss over the lease term.

2.4 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.5 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.6 Taxation

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.7 Property, plant and equipment

2.7.1 Operating fixed assets and depreciation

a) Cost / Revalued amount

Fixed assets are stated at cost less accumulated depreciation and any identified impairment loss, except freehold land which is stated at revalued amount less any identified impairment loss and leasehold land which is stated at revalued amount less accumulated depreciation and any identified impairment loss. Capital work-in-progress is stated at cost less any identified impairment loss. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and directly attributable costs of bringing the assets to working condition.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not

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differ materially from its carrying amount.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

Change in accounting policy

The specific provision in the repealed Companies Ordinance, 1984 relating to the surplus on revaluation of fixed assets has not been carried forward in the Companies Act, 2017. Previously, section 235 of the repealed Companies Ordinance, 1984 specified the accounting treatment and presentation of the surplus on revaluation of fixed assets, which was not in accordance with the IFRS requirements. Accordingly, in accordance with the requirements of IAS 16, 'Property, Plant and Equipment', surplus on revaluation of fixed assets would now be presented under equity.

Following the application of IAS 16, the Company's accounting policy for surplus on revaluation of operating fixed assets stands amended as follows:

Increases in the carrying amounts arising on revaluation of operating fixed assets are recognized, net of deferred income tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in the statement of profit or loss, the increase is first recognized in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of deferred income tax, is reclassified from surplus on revaluation of operating fixed assets to unappropriated profit.

The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated.

The effect of change in accounting policy is summarized on the following page:

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for the Year Ended June 30, 2018

(Rupees in '000')	As at 30 June 2017			As at 30 June 2016		
	As previously reported	As restated	Restatement	As previously reported	As restated	Restatement
Effect on statement of financial position						
Surplus on revaluation of operating fixed assets - net of deferred income tax	(3,575,108)	-	(3,575,108)	2,214,012	-	(2,214,012)
Share capital and reserves -	-	3,575,108	3,575,108	-	2,214,012	2,214,012
Effect on statement of changes in equity						
Surplus on revaluation of operating fixed assets - net of deferred income tax -	-	3,575,108	3,575,108	-	2,214,012	2,214,012

(Rupees in '000')	As at 30 June 2017		
	As previously reported	As restated	Restatement
Effect on statement of comprehensive income			
Gain on revaluation of operating fixed assets	-	1,361,245	1,361,245
Related deferred income tax adjustment	-	(153)	(153)

There was no impact on statement of profit or loss and on statement of cash flows as a result of the retrospective application of change in accounting policy.

b) Depreciation

Depreciation on operating fixed assets is charged from the month in which an asset is acquired while no depreciation is charged for the month in which the asset is disposed of.

Depreciation is charged to the statement of profit or loss on reducing balance method, except leasehold land on which depreciation is charged on straight line method to write off the cost of operating fixed assets over their expected useful lives at the rates mentioned in Note 12.1. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

c) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss in the year the asset is de-recognized.

2.7.2 Assets subject to finance lease

These are initially recognized at lower of present value of minimum lease payments under the lease agreements and fair value of assets. Subsequently, these assets are stated at cost less accumulated depreciation and any identified impairment loss. Assets so acquired are depreciated over their expected useful lives. Depreciation of leased assets is charged to the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

Depreciation on additions to leased assets is charged from the month in which an asset is acquired while no depreciation is charged for the month in which the asset is disposed of.

2.7.3 Assets subject to operating lease

Leases, where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss on a straight line basis over the lease term.

2.8 Non-current assets held for sale

Non-current assets 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.

2.9 Intangible asset

Intangible asset represents the cost of computer software acquired and is stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to the statement of profit or loss on straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization is charged from the month in which the asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed of. Intangible asset is amortized over a period of three years.

The Company assesses at each balance sheet date whether there is any indication that intangible asset may be impaired. If such indication exists, the carrying amount of such asset is reviewed to assess whether it is recorded in excess of its recoverable amount. When carrying value exceeds the respective recoverable amount, asset is written down to its recoverable amount and resulting impairment is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. When an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

2.10 Investments

Classification of an investment is made on the basis of intended purpose for holding such investment. Management determines the appropriate classification of its investments at the time of purchase and re-evaluates such designation on regular basis.

Investments are initially measured at fair value plus transaction costs directly attributable to acquisition, except for "Investment at fair value through profit or loss" which is initially measured at fair value.

The Company assesses at the end of each reporting period whether there is any objective evidence that investments are impaired. If any such evidence exists, the Company applies the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' to all investments.

2.10.1 Investments at fair value through profit or loss

Investments classified as held-for-trading and those designated as such are included in this category. Investments are classified as held-for-trading if these are acquired for the purpose of selling in the short term.

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Gains or losses on investments held-for-trading are recognized in the statement of profit or loss.

2.10.2 Held-to-maturity investments

Investments with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Other long-term investments that are intended to be held to maturity are subsequently measured at amortized cost. This cost is computed as the amount initially recognized minus principal repayments, plus or minus the cumulative amortization, using the effective interest method, of any difference between the initially recognized amount and the maturity amount. For investments carried at amortized cost, gains and losses are recognized in the statement of profit or loss when the investments are de-recognized or impaired, as well as through the amortization process.

2.10.3 Available for sale investments

Investments intended to be held for an indefinite period of time, which may be sold in response to need for liquidity, or changes to interest rates or equity prices are classified as available for sale. After initial recognition, investments which are classified as available for sale are measured at fair value. Gains or losses on available for sale investments are recognized directly in other comprehensive income until the investment is sold, de-recognized or is determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income is included in the statement of profit or loss. These are sub-categorized as under:

Quoted

For investments that are actively traded in organized capital markets, fair value is determined by reference to stock exchange quoted market bids at the close of business on the reporting date.

Unquoted

The investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, subsequent to after initial recognition are carried at cost less any identified impairment loss.

2.11 Inventories

Inventories, except for stock in transit and waste materials, are stated at lower of cost and net realizable value. Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make a sale. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items-in-transit are stated at invoice amount plus other charges paid thereon.

Stock-in-trade

Stock of raw materials, except for stock-in-transit, is valued principally at the lower of weighted average cost and net realizable value.

Stocks-in-transit are valued at cost comprising invoice value plus other charges paid thereon.

Cost of work-in-process and finished goods comprises of cost of direct materials, labour and appropriate manufacturing overheads.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

Stock of waste materials is stated at net realizable value.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.13 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Following specific recognition criteria must also be met before revenue is recognized:

Sale of goods and electricity

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on the delivery of the goods. Related Government grant is recognized when there is reasonable assurance that Company will comply with the conditions attached to it and grant will be received. Revenue from sale of electricity is recognized at the time of transmission.

Interest income

Revenue is recognized as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Dividends

Dividend on equity instruments is recognized when right to receive the dividend is established.

Rental income

Revenue is recognized when rent is accrued.

2.14 Financial instruments

Financial instruments carried on the statement of financial position include investments, deposits, trade debts, loans and advances, interest accrued, other receivables, cash and bank balances, long term financing, short term borrowings, accrued mark-up and trade and other payables etc. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for "financial instruments at fair value through profit or loss" which are initially measured at fair value.

Financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement (except available for sale investments) and de-recognition is charged to the profit or loss currently. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

2.15 Borrowings

Borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

2.16 Trade debts

Trade debts originated by the Company are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. Known bad debts are written off and provision is made against debts considered doubtful when collection of the full amount is no longer probable.

2.17 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in the statement of profit or loss when the loans and receivables are de-recognized or impaired, as well as through the amortization process.

2.18 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost.

2.19 Derivative financial instruments

The Company uses derivative financial instruments such as forward currency contracts and forward currency swaps to hedge its risks associated with interest rate and foreign currency fluctuations. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives during the year that do not qualify for hedge accounting are taken directly to the statement of profit or loss.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of cross currency swap contracts is determined by reference to market values for similar instruments.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognized in equity are transferred to the statement of profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognized in equity remain in equity until the forecast transaction or firm commitment occurs.

2.20 Borrowing cost

Interest, mark-up and other charges on long term finances are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long term finances. All other interest, mark-up and other charges are recognized in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

2.21 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.22 Impairment

a) Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of available for sale financial asset is calculated with reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

b) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

2.23 Offsetting

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.24 Foreign currencies

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at reporting date, while the transactions in foreign currencies during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in the statement of profit or loss.

2.25 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur

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expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has five reportable business segments. Spinning (Producing different quality of yarn using natural and artificial fibers), Weaving (Producing different quality of greige fabric using yarn), Processing and Home Textile (Processing greige fabric for production of printed and dyed fabric and manufacturing of home textile articles), Power Generation (Generating and distributing power) and Cold Storage (Making of ice and warehousing of perishable goods).

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases are eliminated from the total.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2018 (Number of Shares)	2017		2018 (Rupees in '000')	2017
50 571 213	50 571 213	Ordinary shares of Rupees 10 each fully paid in cash	505,712	505,712
29 428 787	29 428 787	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	294,288	294,288
80 000 000	80 000 000		800,000	800,000

3.1 Ordinary shares of the Company held by related parties:

(Number of Shares)	2018	2017
The Crescent Textile Mills Limited-Employees Provident Fund-Trustee	7 378 002	7 389 502
Suraj Cotton Mills Limited	1 648 500	1 335 000
Premier Insurance Limited	755 985	755 985
Shakarganj Limited	5 898	5 898
	9 788 385	9 486 385

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

	2018	2017
(Rupees in '000')		Restated
4. RESERVES		
Composition of reserves is as follows:		
4.1 Capital reserves		
Premium on issue of right shares (Note 4.2.1)	200,169	200,169
Fair value reserve (Note 4.2.2)	1,225,974	2,719,389
Surplus on revaluation of operating fixed assets - net of deferred income tax (Note 5)	3,567,516	3,575,108
	4,993,659	6,494,666
4.2 Revenue reserves		
Dividend equalization reserve	30,000	30,000
General reserve	1,773,643	1,773,643
Unappropriated profit	773,027	756,985
	2,576,670	2,560,628
	7,570,329	9,055,294

4.2.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

4.2.2 This represents the unrealized gain on remeasurement of available for sale investments at fair value and is not available for distribution. This will be transferred to the statement of profit or loss on realization. Reconciliation of fair value reserve is as under:

(Rupees in '000')	2018	2017
Balance as at 01 July	2,719,389	1,004,101
Fair value adjustment during the year	(1,493,415)	1,777,598
Reclassification adjustment for gain realized on sale of available for sale investment	-	(62,310)
Balance as at 30 June	1,225,974	2,719,389
5. SURPLUS ON REVALUATION OF OPERATING FIXED ASSETS - NET OF DEFERRED INCOME TAX		
Surplus on revaluation of operating fixed assets as at 01 July	3,575,519	2,214,302
Surplus arising on revaluation of operating fixed assets during the year	-	1,361,245
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred income tax	41	25
Surplus transferred to unappropriated profit on sale of freehold land	7,546	-
Related deferred income tax liability	5	3
	7,592	28
	3,567,927	3,575,519

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
Less:		
Deferred income tax liability as at 01 July	411	290
Adjustment of deferred income tax liability due to surplus arised on revaluation of operating fixed assets	-	153
Adjustment of deferred income tax liability due to re-assessment at year end	5	(29)
Incremental depreciation charged during the year transferred to the statement of profit or loss	(5)	(3)
	411	411
	3,567,516	3,575,108

- 5.1 This represents surplus resulting from revaluation of freehold land and leasehold land carried out on 30 June 2017 by Messrs Hamid Mukhtar and Company (Private) Limited, an independent valuer enrolled on panel of the State Bank of Pakistan (SBP) as per the basis stated in Note 12.1.1 to the financial statements. Previously revaluation was carried out on 30 June 2013 and 30 June 2007 by an independent valuer.

6. LONG TERM FINANCING

Financing from banking companies - secured (Note 6.1)	1,103,109	1,253,629
Less: Current portion shown under current liabilities	258,038	190,376
	845,071	1,063,253

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

6.1	LENDER	2018	2017	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	DATE OF REPAYMENT OF FIRST INSTALLMENT	INTEREST PAYABLE	SECURITY
	(Rupees in '000')							
	Pak Libya Holding Company (Private) Limited	37,500	62,500	3 months KIBOR plus 2.75 % without any floor or cap	16 equal quarterly installments	03 January 2016	Quarterly	Joint pari passu charge over fixed and current assets of the Company.
	Pak Libya Holding Company (Private) Limited	137,500	187,500	SBP rate for LTFF plus 2.50%	16 equal quarterly installments	11 June 2017	Quarterly	Joint pari passu charge over fixed and current assets of the Company.
	The Bank of Punjab	33,180	42,660	SBP rate for LTFF plus 2.50%	20 equal quarterly installments	31 March 2017	Quarterly	Joint pari passu charge over fixed assets of the Company.
	The Bank of Punjab	45,039	56,299	SBP rate for LTFF plus 2.50%	20 equal quarterly installments	20 July 2017	Quarterly	Joint pari passu charge over fixed assets of the Company.
	The Bank of Punjab	37,714	47,142	SBP rate for LTFF plus 2.50%	20 equal quarterly installments	26 August 2017	Quarterly	Joint pari passu charge over fixed assets of the Company.
	The Bank of Punjab	89,243	99,159	SBP rate for LTFF plus 2.50%	20 equal quarterly installments	20 January 2018	Quarterly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	41,059	49,270	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	27 September 2017	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	38,994	46,793	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	11 October 2017	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	12,466	14,959	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	11 October 2017	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	7,499	8,998	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	25 November 2017	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	20,935	25,122	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	05 December 2017	Half yearly	Joint pari passu charge over fixed assets of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

6.1	LENDER	2018	2017	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	DATE OF REPAYMENT OF FIRST INSTALLMENT	INTEREST PAYABLE	SECURITY
	(Rupees in '000')							
	National Bank of Pakistan	187,344	204,376	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	13 January 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	206,701	225,492	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	25 January 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	22,588	24,642	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	26 January 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	17,664	19,270	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	26 January 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	56,611	61,758	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	07 February 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	42,225	46,063	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	14 February 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	28,991	31,626	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	23 April 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
	National Bank of Pakistan	39,856	-	SBP rate for LTFF plus 2.50%	12 equal half yearly installments	29 December 2018	Half yearly	Joint pari passu charge over fixed assets of the Company.
		1,103,109	1,253,629					

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
7. DEFERRED INCOME TAX LIABILITY		
Taxable temporary differences on		
Tax depreciation allowance	152,091	159,791
Surplus on revaluation of operating fixed assets	411	409
	152,502	160,200
Deductible temporary differences on		
Provision for doubtful debts	(10,356)	(10,074)
Unused tax losses and minimum tax	(269,966)	(149,865)
	(280,322)	(159,939)
Deferred income tax (asset) / liability	(127,820)	261
8. TRADE AND OTHER PAYABLES		
Creditors (Note 8.1)	719,653	520,872
Accrued liabilities	742,525	564,848
Advances from customers	8,879	12,869
Payable to Employees' Provident Fund Trust	4,547	-
Retention money payable	1,615	1,459
Income tax deducted at source	6,209	1,396
Sales tax deducted at source	1,271	3,021
Workers' profit participation fund (Note 8.2)	2,531	3,028
Other payables	914	1,177
	1,488,144	1,108,670
8.1 These include amounts due to the following related parties.		
Suraj Cotton Mills Limited	13,251	2,187
Premier Insurance Limited	5,509	3,337
Ideal Spinning Mills Limited	-	254
	18,760	5,778
8.2 Workers' profit participation fund		
Balance as on 01 July	3,028	16,580
Interest for the year	-	835
Provision for the year (Note 30)	535	-
	3,563	17,415
Less: Payments during the year	1,032	14,387
Balance as on 30 June	2,531	3,028

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

- 8.2.1 The Company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profit (Workers' Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

(Rupees in '000')	2018	2017
9. ACCRUED MARK-UP		
Long term financing	12,758	14,597
Short term borrowings	72,838	50,791
	85,596	65,388
10. SHORT TERM BORROWINGS		
From banking companies - secured		
Short term finances (Note 10.1 and Note 10.4)	1,501,914	877,015
State Bank of Pakistan (SBP) refinance (Note 10.2 and Note 10.4)	3,205,000	3,105,000
Short term foreign currency finances (Note 10.3 and Note 10.4)	1,709,877	1,808,375
	6,416,791	5,790,390

- 10.1 The finances aggregating to Rupees 1,806 million (2017: Rupees 1,330 million) are available from banking companies under mark-up agreements and carry mark up ranging from KIBOR plus 1.75 to 3.00 percent (2017: KIBOR plus 1.50 to 3.00 percent) per annum.
- 10.2 Export refinances have been obtained from banking companies under SBP's refinance scheme on which service charges at the rate of 2.90 to 3.00 percent (2017: 2.90 to 3.00 percent) per annum are payable. These form part of aggregate borrowing limits of Rupees 3,205 million (2017: Rupees 3,165 million).
- 10.3 Short term foreign currency finances amounting to Rupees 2,031 million (2017: Rupees 2,132 million) are available at mark-up ranging from LIBOR plus 0.80 to 3.00 percent (2017: LIBOR plus 0.82 to 2.65 percent) per annum.
- 10.4 The aggregate short term finances from banking companies are secured by way of joint pari passu charge over fixed and current assets of the Company.
- 11. CONTINGENCIES AND COMMITMENTS**
- a) Contingencies
- i) Guarantees of Rupees 199.764 million (2017: Rupees 199.764 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections and Faisalabad Electric Supply Company Limited against electricity connections.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

- ii) Guarantee of Rupees 2.000 million (2017: Rupees Nil) is given by the bank of the Company to Total Parco Pakistan Limited against fuel cards.
- iii) Post dated cheques of Rupees 260.840 million (2017: Rupees 195.266 million) are issued to custom authorities in respect of duties on imported materials availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.
- iv) The Company has issued post dated cheques of Rupees 21.886 million (2017: Rupees 21.886 million) favoring National Logistics Cell (NLC) against claim of demurrage under court orders due to detention of imported cotton by Custom Authorities at Wagha. The petition is currently pending before the Honorable Lahore High Court, Lahore. Management of the Company is confident that the ultimate outcome of this case will be in Company's favor.
- v) Commissioner Inland Revenue has filed appeal vide writ petition no. CA 662/2013 filed on 13 June 2013 with Honorable Supreme Court of Pakistan for the recovery of sales tax liabilities on account of various provisions of Sales Tax Act, 1990. In case of adverse decision, the Company may face tax liability of Rupees 9.606 million (2017: Rupees 16.673 million). The Company's management is confident that appeals are likely to be dismissed.
- vi) The Honorable Sindh High Court in the case of 'Kasim Textile' in its order of 07 May 2013 has held that benefit of carry forward of minimum tax under section 113 of the Income Tax Ordinance, 2001 is only available if tax payable in a tax year is less than minimum tax paid. If in a tax year, no tax is payable by a company due to assessed losses, the company forgoes the right to carry forward minimum tax paid in that year. In the light of this order, the Company is not entitled to carry forward minimum tax of Rupees 77.191 million. However, the management is of the view that the verdict has been challenged in the Honorable Supreme Court of Pakistan and that they are confident of favorable final outcome based on legal advice.
- vii) The Company filed PRA reference No. 111963-2017 dated 28 December 2017 in the Honorable Lahore High Court, Lahore against the order of learned Appellate Tribunal of Punjab Revenue Authority (PRA) for the collection of PRA withholding tax amounting to Rupees 23.348 million. Appeal is pending for adjudication. Management of the Company is confident that the ultimate outcome of this case will be in Company's favor.
- viii) The Company has not charged further tax under section 3 (1A) of the Sales Tax Act, 1990 on supplies made to unregistered persons amounting to Rupees 15.913 million. The Company filed a Writ Petition No. 60403/2017 dated 17 August 2017 before the Honorable Lahore High Court, Lahore against the recovery of further tax and it is expected to be decided in the favor of the Company.
- b) **Commitments**
 - i) Contracts for capital expenditure are of Rupees 789.011 million (2017: Rupees 377.285 million).
 - ii) Letters of credit other than for capital expenditure are of Rupees 120.823 million (2017: Rupees 54.201 million).
 - iii) Ijarah (operating lease) commitments are of Rupees Nil (2017: Rupees 0.060 million).

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')		2018	2017
12.	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets - Owned (Note 12.1)	6,253,403	6,396,065
	Capital work-in-progress (Note 12.2)	74,735	82,293
		6,328,138	6,478,358

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

12.1 Operating fixed assets

(Rupees in '000')	Owned Assets												Leased Assets
	Land-Freehold	Land-Leasehold	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Factory tools and equipment	Gas and electric installations	Vehicles	Furniture and fixtures	Office equipment	Stand-by equipment	Total	Plant and machinery
At 30 June 2016													
Cost / revalued amount	2,217,852	7,133	407,771	105,026	4,640,380	24,099	98,037	48,113	6,145	30,657	113,523	7,698,736	76,314
Accumulated depreciation	-	(1,364)	(250,719)	(44,262)	(2,846,669)	(17,952)	(55,467)	(26,331)	(5,442)	(26,086)	(104,600)	(3,378,892)	(28,331)
Net book value	2,217,852	5,769	157,052	60,764	1,793,711	6,147	42,570	21,782	703	4,571	8,923	4,319,844	47,983
Year ended 30 June 2017													
Opening net book value	2,217,852	5,769	157,052	60,764	1,793,711	6,147	42,570	21,782	703	4,571	8,923	4,319,844	47,983
Effect of surplus on revaluation													
as at 30 June 2017	1,359,937	1,308	-	-	-	-	-	-	-	-	-	1,361,245	-
Additions													
Assets transferred from leased assets to owned assets	-	-	-	7,005	942,318	2,142	1,081	7,775	1,102	3,323	-	964,746	-
Cost	-	-	-	-	76,314	-	-	-	-	-	-	76,314	(76,314)
Accumulated depreciation	-	-	-	-	(31,529)	-	-	-	-	-	-	(31,529)	31,529
	-	-	-	-	44,785	-	-	-	-	-	-	44,785	(44,785)
Disposals:													
Cost	-	-	(628)	-	(113,410)	-	-	(6,714)	-	(59)	-	(120,811)	-
Accumulated depreciation	-	-	585	-	83,520	-	-	4,506	-	59	-	88,670	-
	-	-	(43)	-	(29,890)	-	-	(2,208)	-	-	-	(32,141)	-
Depreciation charge	-	(77)	(14,043)	(5,763)	(223,465)	(1,494)	(8,608)	(4,579)	(213)	(3,280)	(892)	(262,414)	(3,198)
Closing net book value	3,577,789	7,000	142,966	62,006	2,527,459	6,795	35,043	22,770	1,592	4,614	8,031	6,396,065	-
At 30 June 2017													
Cost / revalued amount	3,577,789	8,441	407,143	112,031	5,545,602	26,241	99,118	49,174	7,247	33,921	113,523	9,980,230	-
Accumulated depreciation	-	(1,441)	(264,177)	(50,025)	(3,018,143)	(19,446)	(64,075)	(26,404)	(5,655)	(29,307)	(105,492)	(3,584,165)	-
Net book value	3,577,789	7,000	142,966	62,006	2,527,459	6,795	35,043	22,770	1,592	4,614	8,031	6,396,065	-
Year ended 30 June 2018													
Opening net book value	3,577,789	7,000	142,966	62,006	2,527,459	6,795	35,043	22,770	1,592	4,614	8,031	6,396,065	-
Additions	-	-	-	18,747	126,059	4,476	1,434	20,948	-	4,372	-	176,036	-
Disposals:													
Cost / revalued amount	(8,024)	-	-	-	(52,967)	-	-	(4,207)	-	-	-	(65,198)	-
Accumulated depreciation	-	-	-	-	39,151	-	-	3,707	-	-	-	42,858	-
	(8,024)	-	-	-	(13,816)	-	-	(500)	-	-	-	(22,340)	-
Depreciation charge	-	(95)	(12,721)	(6,610)	(257,611)	(2,077)	(7,118)	(6,278)	(318)	(2,727)	(803)	(296,358)	-
Closing net book value	3,569,765	6,905	130,245	74,143	2,382,091	9,194	29,359	36,940	1,274	6,259	7,228	6,253,403	-
At 30 June 2018													
Cost / revalued amount	3,569,765	8,441	407,143	130,778	5,618,694	30,717	100,552	65,915	7,247	38,293	113,523	10,091,068	-
Accumulated depreciation	-	(1,536)	(276,898)	(56,635)	(3,236,603)	(21,523)	(71,193)	(28,975)	(5,973)	(32,034)	(106,295)	(3,837,665)	-
Net book value	3,569,765	6,905	130,245	74,143	2,382,091	9,194	29,359	36,940	1,274	6,259	7,228	6,253,403	-
Annual rate of depreciation (%)	-	1.01	5, 10	5, 10	10	20	20	20	20	50	10		10

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

12.1.1 Land situated at Faisalabad granted to the Company by the Government of Punjab in 1958 under Land Acquisition Act, 1894 for the specific purpose of using it as an industrial undertaking had been revalued by taking into account conditions specified under various directives of the Government, whereas land situated other than Faisalabad was revalued using the present market value by an independent valuer, Messrs Hamid Mukhtar and Company (Private) Limited as on 30 June 2017. Previously land of the Company was revalued on 30 June 2013 and 30 June 2007 by Messrs Hamid Mukhtar and Company (Private) Limited. Forced sales value of freehold land and leasehold land is Rupees 2,855.812 million and Rupees 5.600 million respectively.

12.1.2 If the freehold land and leasehold land were measured using the cost model, the carrying amount would be as follows:

(Rupees in '000')	2018			2017		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Land - Freehold	5,293	-	5,293	5,771	-	5,771
Land - Leasehold	4,719	1,269	3,450	4,719	1,218	3,501
	10,012	1,269	8,743	10,490	1,218	9,272

12.1.3 Fixed assets of the Company with carrying amount of Rupees 6,215 million (2017: Rupees 6,372 million) are subject to first pari passu charge to secured bank borrowings.

12.1.4 Depreciation charge for the year has been allocated as follows:

(Rupees in '000')	2018	2017
Cost of sales (Note 27)		
-Owned assets	285,087	252,170
-Leased assets	-	3,198
	285,087	255,368
Administrative expenses (Note 29)	11,271	10,244
	296,358	265,612

12.1.5 Particulars of immovable properties (i.e. land and building) in the name of the Company are as follows:

Particulars	Location	Area	Covered area
		Acres	Sq. Ft.
Manufacturing facility	Sargodha Road, Faisalabad, Punjab.	114.05	1 742 888
Manufacturing facility	Phase-III Industrial Estate Hattar, Tehsil Khanpur, District Haripur, Khyber Pakhtunkhwa.	10.00	119 808
Guest House	Pindi Point, Murree, Punjab.	2.99	5 429

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

12.1.6 Detail of operating fixed assets, exceeding the book value of Rupees 500,000 disposed of during the year is as follows:

Description	Qty	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
(Rupees in '000')								
Plant and machinery								
Cone Winder	5	33,295	25,466	7,829	6,500	(1,329)	Negotiation	Mr. Anees Lighter, Karachi
Sewing machines	103	6,482	4,294	2,188	850	(1,338)	Negotiation	Mr. Haider Ali, Faisalabad
Rieter B60 Beater	1	2,383	1,319	1,064	1,085	21	Negotiation	Mr. Asif Gilani, Faisalabad
Raizing Machine 100"	2	1,620	610	1,010	864	(146)	Negotiation	Mr. Nazeer Ahmad Mughal, Faisalabad
		43,780	31,689	12,091	9,299	(2,792)		
Land - Freehold		8,024	-	8,024	7,805	(219)	Negotiation	Nishat Agriculture Farming (Private) Limited, Hafizabad
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rupees 500,000		13,394	11,169	2,225	5,305	3,080		
		65,198	42,858	22,340	22,409	69		

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')		2018	2017
12.2	Capital work-in-progress		
	Buildings on freehold land	19,145	5,715
	Buildings on leasehold land	-	11,930
	Plant and machinery	164	10,361
	Advance against purchase of vehicles	2,470	4,275
	Advance against office equipment	630	101
	Advance against purchase of land	49,911	49,911
	Advance against Enterprise Resource Planning (ERP) implementation	2,415	-
		74,735	82,293
13.	INTANGIBLE ASSET		
	Computer Software		
	Opening net book value	18,472	-
	Addition during the year	-	19,000
	Amortization (Note 29)	(6,333)	(528)
	Closing net book value	12,139	18,472
	Cost	19,000	19,000
	Accumulated amortization	(6,861)	(528)
	Net book value	12,139	18,472
	Amortization rate (per annum)	33.33%	33.33%
14.	LONG TERM INVESTMENTS		
	Available for sale		
	Related parties		
	Quoted		
	Crescent Jute Products Limited 2 738 637 (2017: 2 738 637) fully paid ordinary shares of Rupees 10 each. Equity held 11.52% (2017: 11.52%)	1,123	1,123
	Shams Textile Mills Limited 812 160 (2017: 812 160) fully paid ordinary shares of Rupees 10 each. Equity held 9.40% (2017: 9.40%)	4,629	4,629
	Premier Insurance Limited 141 573 (2017: 128 703) fully paid ordinary shares of Rupees 10 each. Equity held 0.28% (2017: 0.28%) (Note 14.1)	35	35

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
Shakarganj Limited		
9 019 690 (2017: 7 937 328) fully paid ordinary shares of Rupees 10 each. Equity held 7.22% (2017: 7.22%) (Note 14.2)	118,623	48,270
Others		
Quoted		
Crescent Steel and Allied Products Limited		
8 538 303 (2017: 8 538 303) fully paid ordinary shares of Rupees 10 each. Equity held 11% (2017: 11%)	190,669	190,669
Crescent Cotton Mills Limited		
1 034 499 (2017: 975 944) fully paid ordinary shares of Rupees 10 each. Equity held 4.56% (2017: 4.56%) (Note 14.3)	5,124	5,124
Jubilee Spinning and Weaving Mills Limited		
182 629 (2017: 182 629) fully paid ordinary shares of Rupees 10 each. Equity held 0.56% (2017: 0.56%)	213	213
Crescent Fibres Limited		
351 657 (2017: 351 657) fully paid ordinary shares of Rupees 10 each. Equity held 2.83% (2017: 2.83%)	2,162	2,162
Unquoted		
Crescent Bahuman Limited		
26 926 433 (2017: 26 926 433) fully paid ordinary shares of Rupees 10 each. Equity held 19.80% (2017: 19.80%)	269,264	269,264
197 600 000 (2017: 197 600 000) fully paid preference shares of Rupees 10 each. Equity held 73.37% (2017: 73.37%) (Note 14.4)	1,976,000	1,976,000
Premier Financial Services (Private) Limited		
500 (2017: 500) fully paid ordinary shares of Rupees 1,000 each. Equity held 2.22% (2017: 2.22%)	500	500
Cresox (Private) Limited		
4 199 792 (2017: 4 199 792) fully paid ordinary shares of Rupees 10 each. Equity held 11.66% (2017: 11.66%)	-	-
	2,568,342	2,497,989
Less: Impairment loss charged to statement of profit or loss (Note 30)	(1,123)	-
Add: Fair value adjustment	1,168,969	2,668,557
	3,736,188	5,166,546

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

- 14.1 During the year 12 870 (2017: 11 700) bonus shares were received from Premier Insurance Limited.
- 14.2 The Company subscribed 1 082 362 right shares of Shakarganj Limited at the price of Rupees 65 per share pursuant to members' approval in Extra Ordinary General Meeting (EOGM) held on 22 August 2017.
- 14.3 During the year 58 555 bonus shares were received from Crescent Cotton Mills Limited.
- 14.4 This represents unlisted non-voting cumulative and participatory preference shares carrying preference dividend at the rate of 5 percent per annum issued by Crescent Bahuman Limited. At the expiry of nine years from the date of issue i.e. on 01 October 2010, all outstanding preferences shares along with accumulated dividends, if any, will be converted into non-voting ordinary shares at a price of Rupees 10 per ordinary share.
- 14.5 Investments made in associated companies are in accordance with the requirements of the Companies Act, 2017.

(Rupees in '000')	2018	2017
16. LONG TERM LOANS AND ADVANCES		
Employees	3,509	5,025
Less: Current portion shown under current assets (Note 20)	2,427	3,101
	1,082	1,924

- 15.1 These represent interest free loans against household items given to employees and are secured against balance to the credit of employees in the provident fund trust. These are recoverable in equal monthly installments.

- 15.2 The fair value adjustment in accordance with the requirements of IAS 39 'Financial Instruments: Recognition and Measurement' arising in respect of staff loans is not considered material and hence not recognized.

16. LONG TERM DEPOSITS AND PREPAYMENTS

Security deposits	5,208	5,148
Prepayments	6,041	-
	11,249	5,148
Less: Current portion shown under current assets (Note 21)	973	-
	10,276	5,148

17. STORES, SPARE PARTS AND LOOSE TOOLS

Stores (Note 17.1)	175,531	165,583
Spare parts	22,443	25,430
Loose tools	56	517
	198,030	191,530

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

17.1 These include stores in transit of Rupees 11.424 million (2017: Rupees 21.249 million).

(Rupees in '000')	2018	2017
18. STOCK-IN-TRADE		
Raw materials (Note 18.1)	950,283	479,595
Work-in-process	159,243	131,695
Finished goods (Note 18.2)	1,467,953	1,404,191
Waste	11,479	13,653
	2,588,958	2,029,134

18.1 Raw materials include stock in transit of Rupees 74.822 million (2017: Rupees 87.636 million).

18.2 Finished goods include stock in transit of Rupees 150.260 million (2017: Rupees 97.134 million) and stock with third parties amounting to Rupees 289.480 million (2017: Rupees 194.903 million).

18.3 Stock-in-trade of Rupees 11.479 million (2017: Rupees 13.653 million) is being carried at net realizable value.

19. TRADE DEBTS		
Considered good:		
Export		
Against confirmed letters of credit - secured (Note 19.1)	305,901	414,823
Against contract - unsecured (Note 19.1)	759,490	928,096
	1,065,391	1,342,919
Local - unsecured		
Related party (Note 19.2)	1,547	93
Others - Against contract	1,279,400	893,158
	1,280,947	893,251
	2,346,338	2,236,170
Considered doubtful:		
Others - unsecured	41,203	41,203
Less: Provision for doubtful debts	(41,203)	(41,203)
	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

19.1 Outstanding export debtors along with type of arrangements are as follows:

Name of Company (Rupees in '000')	2018			2017		
	Against confirmed letters of credit	Against contract	Total	Against confirmed letters of credit	Against contract	Total
Australia	44,442	-	44,442	53,119	-	53,119
China	27,580	-	27,580	-	-	-
Colombia	-	-	-	-	3,669	3,669
Ecuador	-	-	-	-	5,512	5,512
France	5,271	-	5,271	-	-	-
Germany	-	108,037	108,037	61,524	26,367	87,891
Hong Kong	-	6,125	6,125	-	55,248	55,248
Italy	-	-	-	-	4,876	4,876
Korea Republic	-	193	193	5,397	-	5,397
Lithuania	-	5,816	5,816	-	4,654	4,654
Mexico	-	-	-	-	13,466	13,466
New Zealand	-	3,139	3,139	-	1,324	1,324
Norway	-	31,737	31,737	-	8,816	8,816
Philippines	-	-	-	-	4,018	4,018
Portugal	31,323	45,394	76,717	56,145	-	56,145
Romania	-	421	421	-	-	-
Singapore	-	-	-	-	654	654
South Africa	1,834	16,952	18,786	9,378	9,991	19,369
Spain	175,227	40,003	215,230	180,442	107,456	287,898
Sweden	20,224	66,528	86,752	48,818	8,533	57,351
United Kingdom	-	394,045	394,045	-	424,603	424,603
United States of America	-	41,100	41,100	-	248,909	248,909
	305,901	759,490	1,065,391	414,823	928,096	1,342,919

19.2 As at 30 June 2018, trade debts due from the related party, Suraj Cotton Mills Limited are amounting to Rupees 1.547 million (2017: Rupees 0.093 million). The ageing analysis of these trade debts is as follows:

(Rupees in '000')	2018	2017
Not yet due	-	93
Upto 1 month	1,547	-
	1,547	93

19.2.1 The maximum aggregate amount due from the related party at the end of any month during the year was Rupees 5.477 million (2017: Rupees 13.537 million).

19.3 As at 30 June 2018, trade debts receivable from other than related parties are aggregating to Rupees 2,344.791 million (2017: Rupees 2,236.077 million) which are not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
Not yet due	1,512,491	1,277,226
Upto 1 month	170,587	198,736
1 to 6 months	36,726	129,476
More than 6 months	624,987	630,639
	2,344,791	2,236,077

19.4 As at 30 June 2018, trade debts of Rupees 41.203 million (2017: Rupees 41.203 million) were impaired and provided for. The ageing of these trade debts was more than three years. These trade debts do not include amounts due from related parties.

20. LOANS AND ADVANCES

Considered good:		
Employees against expenses	280	85
Current portion of long term loans and advances (Note 15)	2,427	3,101
Advances to suppliers	6,015	10,556
Letters of credit	498	3,127
Income tax	677,818	559,759
	687,038	576,628
Considered doubtful:		
Advances to suppliers	589	589
Less: Provision for doubtful loans and advances	(589)	(589)
	-	-
	687,038	576,628

21. SHORT TERM DEPOSITS AND PREPAYMENTS

Considered good:		
Margin deposits	58,659	61,840
Prepayments	1,082	107
Current portion of long term deposits and prepayments (Note 16)	973	139
	60,714	62,086

22. ACCRUED INTEREST

This includes interest receivable from Crescent Bahuman Limited on overdue receivable balance.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
23. OTHER RECEIVABLES		
Considered good:		
Due from related party (Note 23.1)	-	77
Export rebate and claims	53,786	68,881
Duty drawback	302,402	173,721
Sales tax and special excise duty refundable	292,041	341,442
Dividend receivable (Note 23.2)	765,700	666,900
Miscellaneous	2,393	1,508
	1,416,322	1,252,529
Considered doubtful:		
Export rebate, sales tax and special excise duty refundable	45,307	44,308
Less: Provision for doubtful other receivables		
As at 01 July	44,308	43,987
Add: Provision made during the year (Note 30)	999	321
As at 30 June	45,307	44,308
	-	-
	1,416,322	1,252,529

23.1 This represented amounts due from Shams Textile Mills Limited. The ageing analysis was as follows:

Upto 1 month	-	33
1 to 6 months	-	44
	-	77

23.1.1 The maximum aggregate amount due from the related party at the end of any month during the year was Rupees 0.221 million (2017: Rupees 0.190 million)

23.2 This represents accumulated preference dividend receivable from Crescent Bahuman Limited as mentioned in Note 14.4.

24. SHORT TERM INVESTMENT

Available for sale		
Others - quoted		
Samba Bank Limited		
12 346 238 (2017: 12 346 238) fully paid ordinary shares of Rupees 10 each. Equity held 1.22% (2017: 1.22%)	37,444	37,444
Add: Fair value adjustment	57,005	50,832
	94,449	88,276

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')		2018	2017
25.	CASH AND BANK BALANCES		
	With banks:		
	On current accounts		
	Including US\$ 1,579 (2017: US\$ 1,583)	1,995	3,107
	Cash in hand	1,418	788
		3,413	3,895
26.	REVENUE		
	Local sales (Note 26.1)	5,375,577	4,003,707
	Export sales	5,729,316	6,641,528
	Export rebate	42,459	51,310
	Duty drawback	166,907	176,217
		11,314,259	10,872,762
26.1	Local sales		
	Sales	5,183,496	3,839,499
	Waste	194,682	162,893
	Processing income	4,204	305
	Cold storage	13,631	16,328
		5,396,013	4,019,025
	Less: Sales tax	20,436	15,318
		5,375,577	4,003,707
27.	COST OF SALES		
	Raw materials consumed (Note 27.1)	4,070,731	3,561,946
	Cost of raw material sold	12,089	-
	Cloth and yarn purchased	1,784,398	1,848,112
	Stores, spare parts and loose tools consumed	660,983	611,356
	Packing materials consumed	562,559	689,296
	Processing and weaving charges	563,515	799,749
	Salaries, wages and other benefits (Note 27.2)	961,484	964,009
	Fuel and power	1,322,308	1,280,308
	Repair and maintenance	29,705	56,077
	Insurance	12,758	11,715
	Depreciation (Note 12.1.4)	285,087	255,368
	Other factory overheads	37,521	39,658
		10,303,138	10,117,594

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
Work-in-process		
Opening stock	131,695	107,784
Closing stock	(159,243)	(131,695)
	(27,548)	(23,911)
Cost of goods manufactured	10,275,590	10,093,683
Finished goods		
Opening stock	1,417,844	943,426
Closing stock	(1,479,432)	(1,417,844)
	(61,588)	(474,418)
	10,214,002	9,619,265
Cost of sales - purchased for resale	-	281,503
	10,214,002	9,900,768
27.1 Raw materials consumed		
Opening stock	479,595	584,701
Add: Purchased during the year	4,541,419	3,456,840
	5,021,014	4,041,541
Less: Closing stock	(950,283)	(479,595)
	4,070,731	3,561,946
27.2 Salaries, wages and other benefits include provident fund contribution of Rupees 15.170 million (2017: Rupees 15.873 million) by the Company.		
28. DISTRIBUTION COST		
Salaries, wages and other benefits (Note 28.1)	39,182	40,314
Freight and shipment	133,939	216,066
Postage	4,678	7,251
Duties and other charges	91,602	95,875
Commission to selling agents	195,182	283,467
Advertisement	3,607	701
	468,190	643,674

28.1 Salaries, wages and other benefits include provident fund contribution of Rupees 1.374 million (2017: Rupees 1.463 million) by the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')		2018	2017
29.	ADMINISTRATIVE EXPENSES		
	Salaries, wages and other benefits (Note 29.1)	205,079	208,146
	Meeting fee to non-executive directors	800	620
	Travelling, conveyance and entertainment	14,151	15,069
	Rent, rates and taxes (Note 29.2)	2,857	3,416
	Repair and maintenance	17,801	21,842
	Insurance	1,127	1,167
	Printing and stationery	2,024	1,965
	Communication and advertisement	3,433	3,994
	Subscription	8,588	10,986
	Legal and professional	7,135	7,478
	Auditors' remuneration (Note 29.3)	1,825	1,598
	Amortization (Note 13)	6,333	528
	Depreciation (Note 12.1.4)	11,271	10,244
	Other charges	12,367	12,751
		294,791	299,804
29.1	Salaries, wages and other benefits include provident fund contribution of Rupees 6.233 million (2017: Rupees 6.372 million) by the Company.		
29.2	This includes ijarah (operating lease) rentals amounting to Rupees 0.060 million (2017: Rupees 0.501 million) of vehicles.		
29.3	Auditors' remuneration		
	Audit fee	1,400	1,275
	Half yearly review	300	250
	Other certification fees	75	25
	Reimbursable expenses	50	48
		1,825	1,598
30.	OTHER EXPENSES		
	Donations (Note 30.1 and Note 30.2)	11,587	9,848
	Provision for doubtful other receivables (Note 23)	999	321
	Workers' profit participation fund (Note 8.2)	535	-
	Impairment loss on long term investment (Note 14)	1,123	-
		14,244	10,169

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

30.1 The Company has made donations exceeding Rupees 500,000 to following parties:

(Rupees in '000')	2018	2017
Chiniot Blood Bank and Dialysis Centre	600	600
The Citizens Foundation	6,000	6,000
Crescent Educational Trust	2,500	-
Shaukat Khanum Memorial Cancer Hospital and Research Centre	700	-

30.2 None of the directors or their spouses had any interest in any of the donee except one director, Mr. Khalid Bashir who is member of Board of Trustees of Crescent Educational Trust.

31. OTHER INCOME

Income from financial assets		
Dividend income (Note 31.1)	150,632	129,036
Gain on sale of available for sale investments	-	62,310
Net exchange gain on export bills	112,114	80,053
Mark-up on overdue receivables (Note 31.2)	44,507	48,250
	307,253	319,649
Income from non-financial assets		
Sale of empties and scrap	15,992	16,788
Rental income	1,532	830
Gain on sale of property, plant and equipment	69	12,342
	17,593	29,960
	324,846	349,609

31.1 Dividend income

From related party:		
Shakarganj Limited	11,275	-
From others:		
Crescent Bahuman Limited-Preference dividend	98,800	98,800
Crescent Steel and Allied Products Limited	40,557	29,884
Crescent Fibres Limited	-	352
	139,357	129,036
	150,632	129,036

31.2 This relates to mark-up charged on overdue receivables from Crescent Bahuman Limited.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
32. FINANCE COST		
Mark up on:		
Long term financing	62,537	59,612
Liabilities against assets subject to finance lease	-	361
Short term borrowings	560,166	214,993
Interest on workers' profit participation fund	-	835
Bank charges and commission	15,000	11,015
	637,703	286,816

32.1 Exchange loss on foreign currency loans of the Company amounting to Rupees 304.537 million (2017: Rupees 1.752 million) is included in finance cost.

33. TAXATION

Charge for the year:		
Current (Note 33.1)	134,518	31,291
Prior year adjustment	(4,712)	(5,601)
	129,806	25,690
Deferred (Note 33.2)	(128,086)	(57,889)
	1,720	(32,199)

33.1 Provision for current taxation represents the tax deducted against export sales, minimum tax on local sales, tax on undistributed profits under Section 5A, tax on different heads of other income and tax credit available under the relevant provisions of the Income Tax Ordinance, 2001. Tax losses available as at 30 June 2018 are Rupees 664.740 million (2017: Rupees 345.964 million). Reconciliation of tax expenses and product of accounting profit multiplied by the applicable tax rate is not presented, being impracticable.

33.2 Deferred income tax effect due to:

Tax depreciation allowance	152,091	159,791
Unused tax losses and minimum tax	(269,966)	(149,865)
Provision for doubtful debts	(10,356)	(10,074)
Surplus on revaluation of operating fixed assets	411	409
	(127,820)	261
Opening balance as at 01 July	(261)	(58,026)
Adjustment of surplus on revaluation of operating fixed assets due to re-assessment at year end	(5)	(124)
	(128,086)	(57,889)

33.3 The Company computes tax based on the generally accepted interpretations of the tax laws to ensure that the sufficient provision for the purposes of taxation is available which can be analysed as follows:

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	Financial years		
	2016-17	2015-16	2014-15
Provision for taxation	31,291	70,227	104,294
Tax assessed	20,327	64,626	104,239

34. EARNINGS PER SHARE - BASIC AND DILUTED

	2018	2017
There is no dilutive effect on the basic earnings per share which is based on:		
Profit for the year (Rupees in thousand)	8,455	113,339
Weighted average number of ordinary shares (Numbers)	80 000 000	80 000 000
Earnings per share (Rupees)	0.11	1.42

(Rupees in '000')	2018	2017
35. CASH GENERATED FROM OPERATIONS		
Profit before taxation	10,175	81,140
Adjustments for non-cash charges and other items:		
Depreciation	296,358	265,612
Amortization	6,333	528
Gain on sale of property, plant and equipment	(69)	(12,342)
Gain on sale of available for sale investment	-	(62,310)
Dividend income	(150,632)	(129,036)
Impairment loss on investment	1,123	-
Provision for doubtful other receivables	999	321
Provision for workers' profit participation fund	535	-
Finance cost	637,703	286,816
Working capital changes (Note 35.1)	(352,951)	(127,801)
	449,574	302,928

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	2018	2017
35.1 Working capital changes		
(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	(6,500)	(6,468)
- Stock-in-trade	(559,824)	(393,223)
- Trade debts	(110,168)	129,315
- Loans and advances	7,649	5,422
- Short term deposits and prepayments	1,233	(32,636)
- Accrued interest	680	248
- Other receivables	(65,992)	(36,417)
	(732,922)	(333,759)
Increase in trade and other payables	379,971	205,958
	(352,951)	(127,801)

35.2 Reconciliation of movement of liabilities arising from financing activities:

(Rupees in '000')	Long term financing	Short term borrowings	Total
Balance as 01 July 2017	1,253,629	5,790,390	7,044,019
Financing obtained	39,856	-	39,856
Short term borrowings obtained - net	-	626,401	626,401
Repayment of financing	(190,376)	-	(190,376)
Balance as 30 June 2018	1,103,109	6,416,791	7,519,900

36. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to Chief Executive Officer, Director and Executives of the Company is as follows:

(Rupees in '000')	Chief Executive Officer		Director		Executives	
	2018	2017	2018	2017	2018	2017
Managerial remuneration	7,200	7,200	4,200	4,200	81,811	83,810
Allowances						
House rent	3,240	3,240	1,890	1,890	20,172	21,622
Cost of living	-	-	-	-	132	129
Utilities	720	720	-	-	6,321	6,521
Medical	-	-	-	-	5,901	5,681
Special	-	-	-	-	5,967	5,745
Reimbursable expenses	1,870	2,174	-	-	5,988	5,410
Contribution to provident fund	450	450	263	263	4,355	4,794
	13,480	13,784	6,353	6,353	130,647	133,712
Number of persons	1	1	1	1	32	37

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

- 36.1 Certain Executives are provided with rent free furnished accommodation and free use of Company maintained vehicles. The Chief Executive Officer and Director are provided with free use of the Company maintained vehicles.
- 36.2 Aggregate amount charged in the financial statements for meeting fee to six non-executive directors (2017: six non-executive directors) was Rupees 800,000 (2017: Rupees 620,000).
- 36.3 No remuneration was paid to non-executive directors of the Company.
- 36.4 Comparative figures have been amended to reflect change in the definition of executive as per the Companies Act, 2017.

37 PROVIDENT FUND RELATED DISCLOSURE

The investments out of Employees Provident Fund Trust have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose with the exception of investment in listed securities which exceeds the prescribed limit. SRO 731 (I)/2018 issued by Securities and Exchange Commission of Pakistan on 06 June 2018 allows transition period of one year for bringing the Employees Provident Fund Trust in conformity with the requirements of rules.

(Number of Persons)		2018	2017
38.	NUMBER OF EMPLOYEES		
	Number of employees as on 30 June (Note 38.1)	4 793	5 013
	Average number of employees during the year (Note 38.1)	4 694	5 170

- 38.1 These include number of employees 3 846 (2017: 4 000) and average number of employees 3 760 (2017: 4 155) employed at factory.

39. 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 with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')			2018	2017
Name of company	Basis of relationship	Nature of transactions		
<i>Associated companies</i>				
Ideal Spinning Mills Limited (Note 39.2)	Common directorship	Purchase of goods	3,760	50,067
Premier Insurance Limited	Common directorship	Insurance premium paid	23,539	18,014
		Insurance claims received	755	5,240
		Dividend paid	-	949
Suraj Cotton Mills Limited	Common directorship	Purchase of goods	60,737	10,237
		Sale of goods	26,358	99,147
		Dividend paid	-	1,516
Shams Textile Mills Limited	Common directorship	Services provided	548	289
Shakarganj Limited	Common directorship	Dividend paid	-	7
		Dividend received	11,275	-
<i>Other related parties</i>				
Crescent Foundation	Directors of the Company are the members of Board of Trustee	Dividend paid	-	2,103
The Crescent Textile Mills Limited - Employees' Provident Fund Trust	Post employment benefit plan	Dividend paid	-	9,162
		Contribution paid	22,777	23,708
Trustees, Directors, Their Spouses and Minor Children	Members of board of trustees, key management personnel and their relatives	Dividend paid	-	8,712
(Number of Shares)			2018	2017
<i>Associated companies</i>				
Premier Insurance Limited	Common directorship	Bonus shares received	12 870	11 700
Shakarganj Limited	Common directorship	Sale of shares	-	650 000
		Right shares subscribed	1 082 362	-

39.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, Director and Executives is disclosed in Note 36.

39.2 Ideal Spinning Mills Limited has ceased to be the associated company in April 2018 due to elimination of common directorship.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Figures in '000')		2018	2017
40.	PLANT CAPACITY AND ACTUAL PRODUCTION		
	Spinning		
	100 % plant capacity converted to 20s count (Kgs.)	33 587	33 587
	Actual production converted to 20s count (Kgs.)	29 246	28 736
	Weaving		
	100 % plant capacity converted to 50 picks (Sq. Mtr.)	41 366	41 366
	Actual production converted to 50 picks (Sq. Mtr.)	32 717	33 492
	Dyeing, Finishing and Home Textile		
	The plant capacity of these divisions is indeterminable due to multi product plants involving varying processes of manufacturing and run length of order lots.		
	Power Plant		
	Generation capacity (MWH)	258	258
	Actual generation (MWH)	75	100

40.1 REASONS FOR LOW PRODUCTION

Under utilization of available capacity of textile facilities is mainly due to extended maintenance of installed machinery carried out during the year. Actual power generation in comparison to installed capacity is low due to utilization of electricity supplied by FESCO.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

4.1. SEGMENT INFORMATION

	Spinning		Weaving		Processing & Home Textile	
(Rupees in '000')	2018	2017	2018	2017	2018	2017
Revenue						
External	5,098,838	3,711,938	325,871	238,589	5,875,919	6,905,907
Intersegment	1,265,327	1,652,719	4,730,267	4,491,203	-	-
	6,364,165	5,364,657	5,056,138	4,729,792	5,875,919	6,905,907
Cost of sales	(6,127,854)	(5,312,837)	(5,008,786)	(4,649,726)	(5,083,988)	(6,092,198)
Gross profit	236,311	51,820	47,352	80,066	791,931	813,709
Distribution cost	(40,439)	(37,775)	(13,187)	(11,836)	(411,558)	(590,983)
Administrative expenses	(84,983)	(87,290)	(26,514)	(27,261)	(167,537)	(169,079)
	(125,422)	(125,065)	(39,701)	(39,097)	(579,095)	(760,062)
Profit / (loss) before taxation and unallocated income and expenses	110,889	(73,245)	7,651	40,969	212,836	53,647
Unallocated income and expenses:						
Other expenses						
Other income						
Finance cost						
Taxation						
Profit after taxation						

4.1.1 Reconciliation of reportable segment assets and liabilities:

	Spinning		Weaving		Processing & Home Textile	
(Rupees in '000')	2018	2017	2018	2017	2018	2017
Total assets for reportable segments	3,012,326	2,754,165	1,521,332	1,598,009	2,623,947	2,326,793
Unallocated assets						
Total assets as per balance sheet						
All segment assets are allocated to reportable segments other than those directly relating to corporate						
Total liabilities for reportable segments	4,179,892	3,635,370	1,373,551	905,557	1,998,076	2,445,231
Unallocated liabilities						
Total liabilities as per balance sheet						

All segment liabilities are allocated to reportable segments other than major portion of trade and other

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

Power Generation		Cold Storage		Elimination of inter-segment transactions		Total - Company	
2018	2017	2018	2017	2018	2017	2018	2017
-	-	13,631	16,328	-	-	11,314,259	10,872,762
1,073,737	1,061,671	-	-	(7,069,331)	(7,205,593)	-	-
1,073,737	1,061,671	13,631	16,328	(7,069,331)	(7,205,593)	11,314,259	10,872,762
(1,054,101)	(1,040,861)	(8,604)	(10,739)	7,069,331	7,205,593	(10,214,002)	(9,900,768)
19,636	20,810	5,027	5,589	-	-	1,100,257	971,994
(3,006)	(3,080)	-	-	-	-	(468,190)	(643,674)
(14,919)	(15,336)	(838)	(838)	-	-	(294,791)	(299,804)
(17,925)	(18,416)	(838)	(838)	-	-	(762,981)	(943,478)
1,711	2,394	4,189	4,751	-	-	337,276	28,516
						(14,244)	(10,169)
						324,846	349,609
						(637,703)	(286,816)
						(1,720)	32,199
						8,455	113,339

Power Generation		Cold Storage		Total - Company	
2018	2017	2018	2017	2018	2017
272,676	287,142	20,141	20,216	7,450,422	6,986,325
				10,163,664	11,128,232
				17,614,086	18,114,557
and tax assets.					
56,481	123,249	564	812	7,608,564	7,110,219
				1,635,193	1,149,044
				9,243,757	8,259,263

payables, current and deferred tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

4.1.2 Geographical Information

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

(Rupees in '000')	2018	2017
Europe	4,818,039	5,603,042
America	411,513	246,664
Asia, Africa and Australia	709,130	1,019,349
Pakistan	5,375,577	4,003,707
	11,314,259	10,872,762

4.1.3 All non-current assets of the Company as at reporting date are located and operating in Pakistan.

4.1.4 Revenue from major customers

Revenue from one major customer of Processing & Home Textile segment of the Company is of Rupees 1,130 million (2017: two major customers of Processing & Home Textile of Rupees 2,662 million).

The revenue of Power Generation segment includes the revenue from generation and distribution of electricity to other segments of the Company. The distribution of electricity includes the in-house generated electricity along with electricity supplied by FESCO.

4.2. FINANCIAL RISK MANAGEMENT

4.2.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors (the Board). The Company's finance department evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, use of non-derivative financial instruments and investment of excess liquidity.

a) Market risk

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD) and Euro. Currently, the Company's foreign exchange risk exposure is restricted to bank balances and the amounts receivable / payable from / to the foreign entities. The Company's exposure to currency risk was as follows:

	2018	2017
Cash at banks - USD	1,579	1,583
Trade debts - USD	7,152,525	11,677,699
Trade debts - Euro	1,394,422	993,203
Trade and other payables - USD	(4,19,816)	(245,160)
Trade and other payables - Euro	(65,205)	-
Short term borrowings - USD	(14,074,426)	(17,255,487)
Net exposure - USD	(7,340,138)	(5,821,365)
Net exposure - Euro	1,329,217	993,203

Following significant exchange rates were applied during the year:

Rupees per US Dollar		
Average rate	110.43	104.77
Reporting date rate	121.60	104.80
Rupees per Euro		
Average rate	131.85	114.13
Reporting date rate	141.33	119.91

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD and Euro with all other variables held constant, the impact on profit after taxation for the year would have been by Rupees 42.397 million (2017: Rupees 30.504 million) lower / higher and Rupees 8.923 million (2017: Rupees 5.955 million) higher / lower respectively, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to commodity price risk.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Company's profit after taxation for the year and on equity (fair value reserve). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index (Rupees in '000')	Impact on profit after taxation		Impact on statement of other comprehensive income (fair value reserve)	
	2018	2017	2018	2017
PSX 100 (5% increase)	-	-	79,244	150,453
PSX 100 (5% decrease)	-	-	(79,244)	(150,453)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as available for sale.

iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from long term financing, short term borrowings and trade debts of CBL. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

(Rupees in '000')	2018	2017
Fixed rate instruments		
Financial liabilities		
Long term financing	1,065,609	1,191,129
Short term borrowings	3,205,000	3,105,000
Floating rate instruments		
Financial assets		
Trade debts-CBL	706,030	685,070
Financial liabilities		
Long term financing	37,500	62,500
Short term borrowings	3,211,791	2,685,390

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 24.161 million (2017: Rupees 20.628 million) lower / higher mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting date were outstanding for the whole year.

b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

(Rupees in '000')	2018	2017
Investments	3,830,637	5,254,822
Loans and advances	3,509	5,025
Deposits	63,867	66,988
Trade debts	2,346,338	2,236,170
Accrued interest	3,181	3,861
Other receivables	768,093	668,485
Bank balances	1,995	3,107
	7,017,620	8,238,458

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. The Company kept its surplus funds with banks having good credit rating ranging from AAA to A.

The Company's exposure to credit risk and impairment losses related to trade debts is disclosed in Note 19.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2018, the Company had Rupees 625 million (2017: Rupees 836 million) available borrowing limits from financial institutions and Rupees 3.413 million (2017: Rupees 3.895 million) cash and bank balances. The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows:

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

Contractual maturities of financial liabilities as at 30 June 2018:

(Rupees in '000')	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
Non-derivative financial liabilities:						
Long term financing	1,103,109	1,249,847	155,715	152,198	281,948	659,986
Trade and other payables	1,469,254	1,469,254	1,469,254	-	-	-
Unclaimed dividend	9,513	9,513	9,513	-	-	-
Accrued mark-up	85,596	85,596	85,596	-	-	-
Short term borrowings	6,416,791	6,600,593	4,473,975	2,126,618	-	-
	9,084,263	9,414,803	6,194,053	2,278,816	281,948	659,986

Contractual maturities of financial liabilities as at 30 June 2017:

Non-derivative financial liabilities:						
Long term financing	1,253,629	1,439,826	96,300	154,698	299,243	889,585
Trade and other payables	1,088,356	1,088,356	1,088,356	-	-	-
Unclaimed dividend	9,634	9,634	9,634	-	-	-
Accrued mark-up	65,388	65,388	65,388	-	-	-
Short term borrowings	5,790,390	5,921,459	3,570,723	2,350,736	-	-
	8,207,397	8,524,663	4,830,401	2,505,434	299,243	889,585

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 June. The rates of interest / mark-up have been disclosed in Note 6 and 10 to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

42.2 Financial instruments by categories

(Rupees in '000')	Loans and receivables	Available for sale	Total
As at 30 June 2018			
Assets as per statement of financial position			
Investments	-	3,830,637	3,830,637
Loans and advances	3,509	-	3,509
Deposits	63,867	-	63,867
Trade debts	2,346,338	-	2,346,338
Accrued interest	3,181	-	3,181
Other receivables	768,093	-	768,093
Cash and bank balances	3,413	-	3,413
	3,188,401	3,830,637	7,019,038

(Rupees in '000')	At amortized cost
Liabilities as per statement of financial position	
Long term financing	1,103,109
Trade and other payables	1,469,254
Unclaimed dividend	9,513
Accrued mark-up	85,596
Short term borrowings	6,416,791
	9,084,263

(Rupees in '000')	Loans and receivables	Available for sale	Total
As at 30 June 2017			
Assets as per statement of financial position			
Investments	-	5,254,822	5,254,822
Loans and advances	5,025	-	5,025
Deposits	66,988	-	66,988
Trade debts	2,236,170	-	2,236,170
Accrued interest	3,861	-	3,861
Other receivables	668,485	-	668,485
Cash and bank balances	3,895	-	3,895
	2,984,424	5,254,822	8,239,246

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(Rupees in '000')	At amortized cost
Liabilities as per statement of financial position	
Long term financing	1,253,629
Trade and other payables	1,088,356
Unclaimed dividend	9,634
Accrued mark-up	65,388
Short term borrowings	5,790,390
	8,207,397

42.3 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

42.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Company as referred to in Note 6 and 10 respectively. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy which was unchanged from last year is to maintain a gearing ratio of 50% debt and 50% equity.

(Rupees in '000')	2018	2017
Borrowings	7,519,900	7,044,019
Total equity	8,370,329	9,855,294
Total capital employed	15,890,229	16,899,313
Gearing ratio (Percentage)	47.32	41.68

The increase in the gearing ratio resulted primarily from decrease in fair value of investments of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

43. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these 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:

(Rupees in '000')	Level 1	Level 2	Level 3	Total
Financial assets - recurring fair value measurement				
At 30 June 2018				
Available for sale financial assets	1,584,873	-	-	1,584,873
At 30 June 2017				
Available for sale financial assets	3,009,058	-	-	3,009,058

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 year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize 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.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

(ii) Valuation techniques used to determine fair values

Valuation technique used to value financial instruments includes the use of quoted market prices.

44. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the non-financial assets that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels:

(Rupees in '000')	Level 1	Level 2	Level 3	Total
At 30 June 2018				
Land - freehold	-	3,569,765	-	3,569,765
Land - leasehold	-	6,905	-	6,905
	-	3,576,670	-	3,576,670
At 30 June 2017				
Land - freehold	-	3,577,789	-	3,577,789
Land - leasehold	-	7,000	-	7,000
	-	3,584,789	-	3,584,789

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

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

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuation for its freehold and leasehold land (classified as property, plant and equipment) at least in every three years. The management updates the assessment of the fair value of each property, taking into account the most recent independent valuations. The management determines property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties.

Valuation processes

The fair value of freehold and leasehold land has been determined as on 30 June 2017 by Messrs Hamid Mukhtar and Company (Private) Limited, an independent valuer enrolled on panel of SBP as per basis stated in Note 12.1.1 to the financial statements.

45. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 27 September 2018 by the Board of Directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended June 30, 2018

46. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. However, no significant reclassifications have been made in these financial statements except for as mentioned below:

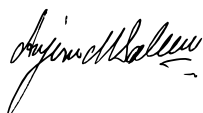
Reclassification from statement of financial position	Reclassification to statement of financial position	Rupees in thousand
Trade and other payables	Unclaimed dividend	9,634

47. GENERAL

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



Muhammad Anwar
Chief Executive Officer



Anjum Muhammad Saleem
Director



Asim Siddique
Chief Financial Officer

PATTERN OF SHAREHOLDING - (FORM "34")

as at June 30, 2018

Shareholders	Form	to	Total Shares	Shareholders	Form	to	Total Shares
530	1	100	16,151	1	250,001	255,000	254,329
542	101	500	161,725	1	255,001	260,000	256,931
278	501	1,000	233,340	1	260,001	265,000	262,867
518	1,001	5,000	1,405,168	3	280,001	285,000	845,740
144	5,001	10,000	1,144,990	1	290,001	295,000	291,981
58	10,001	15,000	748,471	1	295,001	300,000	300,000
33	15,001	20,000	592,712	1	305,001	310,000	306,279
26	20,001	25,000	614,102	2	315,001	320,000	636,277
15	25,001	30,000	414,524	2	320,001	325,000	647,954
17	30,001	35,000	542,896	1	330,001	335,000	333,297
6	35,001	40,000	228,580	1	335,001	340,000	339,543
6	40,001	45,000	262,074	2	340,001	345,000	688,058
14	45,001	50,000	686,223	1	345,001	350,000	348,335
4	50,001	55,000	212,953	1	350,001	355,000	352,500
3	55,001	60,000	172,000	1	365,001	370,000	370,000
10	60,001	65,000	627,416	1	390,001	395,000	391,743
7	65,001	70,000	469,196	1	405,001	410,000	406,096
5	70,001	75,000	358,136	1	425,001	430,000	426,622
4	75,001	80,000	307,598	2	450,001	455,000	904,444
2	80,001	85,000	166,000	2	485,001	490,000	974,217
3	85,001	90,000	262,624	1	500,001	505,000	500,611
3	90,001	95,000	274,880	1	505,001	510,000	510,000
4	95,001	100,000	395,602	1	525,001	530,000	527,799
2	100,001	105,000	202,742	1	540,001	545,000	542,003
2	105,001	110,000	219,648	1	570,001	575,000	571,848
2	110,001	115,000	222,166	1	585,001	590,000	586,500
3	115,001	120,000	355,763	1	605,001	610,000	609,710
4	120,001	125,000	490,162	1	635,001	640,000	635,905
6	125,001	130,000	765,618	2	650,001	655,000	1,300,550
2	130,001	135,000	263,172	1	665,001	670,000	665,346
2	135,001	140,000	277,140	1	680,001	685,000	681,657
1	140,001	145,000	140,463	1	690,001	695,000	690,306
2	145,001	150,000	299,729	1	705,001	710,000	707,805
1	155,001	160,000	158,198	1	745,001	750,000	748,018
2	160,001	165,000	320,420	1	755,001	760,000	755,985
1	165,001	170,000	165,709	1	765,001	770,000	767,324
3	185,001	190,000	563,410	1	840,001	845,000	842,782
1	190,001	195,000	193,780	1	895,001	900,000	897,103
2	200,001	205,000	407,847	1	935,001	940,000	939,667
1	205,001	210,000	207,926	1	950,001	955,000	950,612
1	210,001	215,000	210,275	1	965,001	970,000	969,036
2	215,001	220,000	437,146	1	975,001	980,000	978,536
1	240,001	245,000	241,888	1	1,060,001	1,065,000	1,061,719

PATTERN OF SHAREHOLDING - (FORM "34")

as at June 30, 2018

Shareholders	Form	to	Total Shares	Shareholders	Form	to	Total Shares
1	1,385,001	1,390,000	1,389,541	1	3,600,001	3,605,000	3,603,635
1	1,590,001	1,595,000	1,594,629	1	4,355,001	4,360,000	4,359,891
1	1,645,001	1,650,000	1,648,500	1	4,915,001	4,920,000	4,916,500
1	1,675,001	1,680,000	1,677,239	1	5,925,001	5,930,000	5,929,364
1	1,680,001	1,685,000	1,684,101	1	7,375,001	7,380,000	7,378,002
1	2,595,001	2,600,000	2,600,000				
				2,335			
							80,000,000

PATTERN OF SHAREHOLDING - (FORM "34")

as at June 30, 2018

Categories of Shareholders		Physical	CDC	Total	% age
		(Number of shares held)			
1	Directors, Chief Executive Officer, Their Spouses and Minor Children				
	Chairman & Chief Executive Officer				
	Mr. Shaukat Shafi	-	488,624	488,624	0.61
	Mr. Muhammad Anwar	-	897,103	897,103	1.12
	Directors				
	Mr. Ahmad Shafi	-	3,603,635	3,603,635	4.50
	Mr. Amjad Mahmood	-	102,589	102,589	0.13
	Mr. Anjum Muhammad Saleem	130	542,003	542,133	0.69
	Mr. Khurram Mazhar Karim	-	165,709	165,709	0.21
	Mr. Khalid Bashir	-	842,782	842,782	1.05
	Director's Spouses and Their Minor Children				
	Mrs. Abida Anwar	-	33,326	33,326	0.04
	Mrs. Mehreen Ahmad	-	64,000	64,000	0.08
	Mrs. Naheed Amjad	-	426,622	426,622	0.53
	Mrs. Saira Anjum Saleem	-	75,431	75,431	0.09
	Mrs. Tanveer Khalid Bashir	-	343,058	343,058	0.43
	Mrs. Zahida Shaukat	-	218,366	218,366	0.27
		130	7,803,248	7,803,378	9.75
2	Executives	27	750,543	750,570	0.94
3	Associated Companies, Undertakings & Related Parties				
	Premier Insurance Limited	-	755,985	755,985	0.94
	Suraj Cotton Mills Limited	-	1,648,500	1,648,500	2.06
	Shakarganj Mills Limited	5,898	-	5,898	0.01
	Trustees - The Crescent Textile Mills Limited				
	Empolyees' Provident Fund Trust	-	7,378,002	7,378,002	9.22
		5,898	9,782,487	9,788,385	12.23
4	NIT & ICP (Name Wise Detail)				
	CDC - Trustee National Investment (Unit) Trust	-	1,684,101	1,684,101	2.11
	Trustee National Bank Of Pakistan Employees' Pension Fund	-	188,340	188,340	0.24
	Trustee National Bank Of Pakistan Employees' Benevolent Fund Trust	-	6,609	6,609	0.01
		-	1,879,050	1,879,050	2.36
5	Mutual Funds (Name Wise Detail)				
	CDC-Trustee Nafa Asset Allocation Fund	-	132,500	132,500	0.17
	TRI Star Mutual Fund Limited	-	383	383	0.00
		-	132,883	132,883	0.17

PATTERN OF SHAREHOLDING - (FORM "34")

as at June 30, 2018

		Physical	CDC	Total	% age
		(Number of shares held)			
6	Banks, NBFCs, DFIs, Takaful, Pension Funds	12,234	644,052	656,286	0.81
7	Modarabas	842	-	842	-
8	Insurance Companies	704	291,981	292,685	0.37
9	Non-Residents	5,128	-	5,128	0.01
10	Other Companies, Corporate Bodies, Trust etc.	55,810	17,623,052	17,678,862	22.10
11	General Public	3,405,027	37,606,904	41,011,931	51.26
		3,485,800	76,514,200	80,000,000	100.00
Shareholders More Than 5.00%					
	Trustees - The Crescent Textile Mills Limited				
	Employees' Provident Fund Trust			7,378,002	9.22
	CS Capital (Private) Limited			5,929,364	7.41
	Munaf Ibrahim			4,916,500	6.15
	Crescent Cotton Mills Limited			4,359,891	5.45

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 69th Annual General Meeting (AGM) of the shareholders of Crescent Textile Mills Limited (the "Company") will be held on Saturday, October 27, 2018 at 9:00 am at the registered office of the Company, 45-A, Off: Zafar Ali Road, Gulberg-V, Lahore, to transact the following Ordinary Business:-

- 1 To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2018 together with the Chairman's Review, Directors' and Auditors' Reports.
- 2 To appoint Auditors of the Company and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of directors have recommended the name of retiring auditors MS Riaz Ahmad & Co., Chartered Accountants for appointment as auditors of the Company.

Registered Office:
45-A, Off: Zafar Ali Road,
Gulberg-V, Lahore:
T: +92-042-111-245-245
F: +92-042-111-222-245
Dated: October 05, 2018

By Order of the Board
Naseer Ahmad Chaudhary
Corporate Secretary

Notes:

1. The Share Transfer Books of the Company will remain closed from 21 October 2018 to 27 October 2018 (both days inclusive). Transfers received in order at the office of our Share Registrar, MS CorpTec Associates (Pvt) Limited, 503-E, Johar Town, Lahore by the close of business on 20 October 2018, will be treated in time for the purposes of entitlement to attend, speak and vote at the AGM.
2. A member entitled to attend and vote at this meeting may appoint any other member as his / her proxy to attend and vote instead of him / her and a proxy so appointed shall have the same rights, as respects attending, speaking and voting at the AGM as are available to the members. A Proxy must be a member of the Company.
3. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.
4. Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.
 - a. For attending the meeting:
 - i). In case of Individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or, original Passport at the time of attending the Meeting.

NOTICE OF ANNUAL GENERAL MEETING

- ii) In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.
- b. For Appointing Proxies
 - i). In case of individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
 - ii). The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii). Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
 - vi). The proxy shall produce his original CNIC or original passport at the time of the Meeting.
 - v). In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

5. CNIC / IBAN for E-Dividend Payment

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission, all future dividend payments may be withheld.

6. Zakat Declarations

The members of the Company are required to submit Declaration for Zakat exemption in terms of Zakat and Ushr Ordinance, 1980.

7. Circulations of Annual Reports through CD / DVD / USB / Email

Pursuant to the Securities and Exchange Commission of Pakistan's notification S.R.O 470(I) / 2016 dated 31 May, 2016, the shareholders of The Crescent Textile Mills Limited had accorded their consent for transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company through CD or DVD or USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intends to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website: www.crescenttextile.com.

NOTICE OF ANNUAL GENERAL MEETING

8. Tax Deductions from Filers and Non-Filers

The deduction of income tax from dividend payments shall be made on the basis of filers and non-filers as follows:

S.No	Nature of Shareholders	Rate of deduction
1	Filers	15.0%
2	Non- Filers	20.0%

Tax deduction will be made on the basis of Active Tax Payers List provided on the website of Federal Board of Revenue.

Members seeking exemption from deduction of tax on dividend payment or are eligible for deduction at a reduced rate are requested to submit a valid withholding tax exemption certificate or necessary documentary evidence, as the case may be.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the AGM date.

Folio / CDC Account No.	Name of Shareholder	CNIC	Shareholding	Total Shares	Principal / Joint Shareholder
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9. Unclaimed Dividend and Bonus Shares

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar MS Corptec Associates (Private) Limited, 503-E, Johar Town, Lahore, to collect / enquire about their unclaimed dividend or pending shares, if any.

10. Video Conference Facility

Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the AGM. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least seven (7) days prior to the date of the meeting on the Standard Form provided in the annual report and also available on the company's website: www.crescenttextile.com.

11. Placement of Financial Statements

The Company has placed a copy of the Notice of AGM, Annual Financial Statements for the year ended 30 June 2018 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company: www.crescenttextile.com.



The Crescent Textile Mills Limited

69th Annual General Meeting

Registered Office:
45-A, Off: Zafar Ali Road,
Gulberg-V, Lahore, Pakistan

PROXY FORM

I/We _____ being member(s) of
The Crescent Textile Mills Limited and holder of _____ shares
as per Registered Folio # / CDC Participant ID # / Sub A/C # / Investor A/C # _____
do hereby appoint _____
of _____ or failing him _____
of _____ who is also member of the Company vide Registered
Folio # _____ as my/our Proxy to attend, speak and vote for me/us and on my/our
behalf at the 69th Annual General Meeting of the Company to be held on Saturday the October 27, 2018 at 9:00
a.m. at Registered Office 45-A, Off: Zafar Ali Road, Gulberg V, Lahore and at any adjournment thereof.

As witness my hand this _____ day of _____ 2018.

Witness's Signature

Name: _____

CNIC: _____

Address: _____

Affix Revenue

Stamp of Rs. 5/-

Witness's Signature

Name: _____

CNIC: _____

Address: _____

Member's Signature

Date:

Place: Lahore

[illegible]

Note:

- 1 A member eligible to attend and vote in this meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in
order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the
meeting.
- 2 CDC account holders will further have to follow the following guidelines:
- i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and
their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his original CNIC or original passport at the time of the Meeting.
 - v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures shall be submitted
(unless it has been provided earlier) along with proxy form to the Company.



مختار نامہ

میں/ہم _____
کا/کے _____
بحیثیت رکن کریڈنٹ ٹیکسٹائل ملز لمیٹڈ اور حامل حصص، بمطابق شیئر رجسٹر فوئیو نمبر _____
اور/یا سی ڈی سی پارٹنر شپ (شرکت آئی ڈی) نمبر _____
اور سب اکاؤنٹ (ذیلی کھاتہ) نمبر _____
محترم / محترمہ _____
کو اپنے/ہمارے ایماء پر _____ مورخہ 27 اکتوبر 2018ء ہفتہ _____
رجسٹرڈ آفس: 45-A، آف: ظفر علی روڈ، گلبرگ-V، لاہور۔ _____
بمقام: _____

منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا/ہمارا بطور مختار (پراسی) مقرر کرنا ہوں/کرتے ہیں۔

آج بروز _____ تاریخ _____ 2018ء کو دستخط کئے گئے۔

گواہان:

پانچ روپے مالیت کے سید نکٹ پر دستخط

دستخط: _____
نام: _____
پتہ: _____
کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر: _____

دستخط کمپنی کے نمونہ دستخط سے
مماثل ہونے چاہئیں

دستخط: _____
نام: _____
پتہ: _____
کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر: _____

نوٹ:

- 1- ایک ممبر (رکن) جو اجلاس میں شرکت نہیں کر سکتا، وہ اس فارم کو مکمل کرے اور دستخط کرنے کے بعد اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل رجسٹرڈ آفس کے پتے پر ارسال کر دے۔
- 2- سی ڈی سی شیئر ہولڈر ہونے کی صورت میں درج بالا کے علاوہ ذیل میں درج ہدایات پر بھی عمل کرنا ہوگا:
 - (الف) فرد ہونے کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ جس کی ٹیکس ریٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ ہوں انہیں کمپنی کی جانب سے دی گئی ہدایات کی روشنی میں پر کسی فارم جمع کرانا ہوگا۔
 - (ب) مختار نامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہوں۔
 - (ج) بینیفیشل اونرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوگی جسے نائب مختار نامہ کے ہمراہ پیش کرے گا۔
 - (د) اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
 - (و) کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن)، بورڈ آف ڈائریکٹرز قرارداد/مع نامزد کردہ شخص/انٹارنی کے نمونہ دستخط یا و آف انٹارنی (اگر پہلے فراہم نہ کئے گئے ہوں) پر کسی فارم (مختار نامے) کے ہمراہ کمپنی میں جمع کرانا ہوگا۔



Mills & Head office

Sargodha Road,
Faisalabad, Pakistan
T: +92-41-111-105-105
F: +92-41-8786525
E: crestex@ctm.com.pk

Registered office

45-A, Off: Zafar Ali Road, Gulberg-V,
Lahore, Pakistan
T: +92-42-111-245-245
F: +92-42-111-222-245
E: crestex@ctm.com.pk

Share Register

CorpTec Associates (Pvt) Limited,
503-E, Johar Town,
Lahore, Pakistan
T: +92-42-35170336-7
F: +92-42-35170338
E: info@corptec.com.pk

www.crescenttextile.com