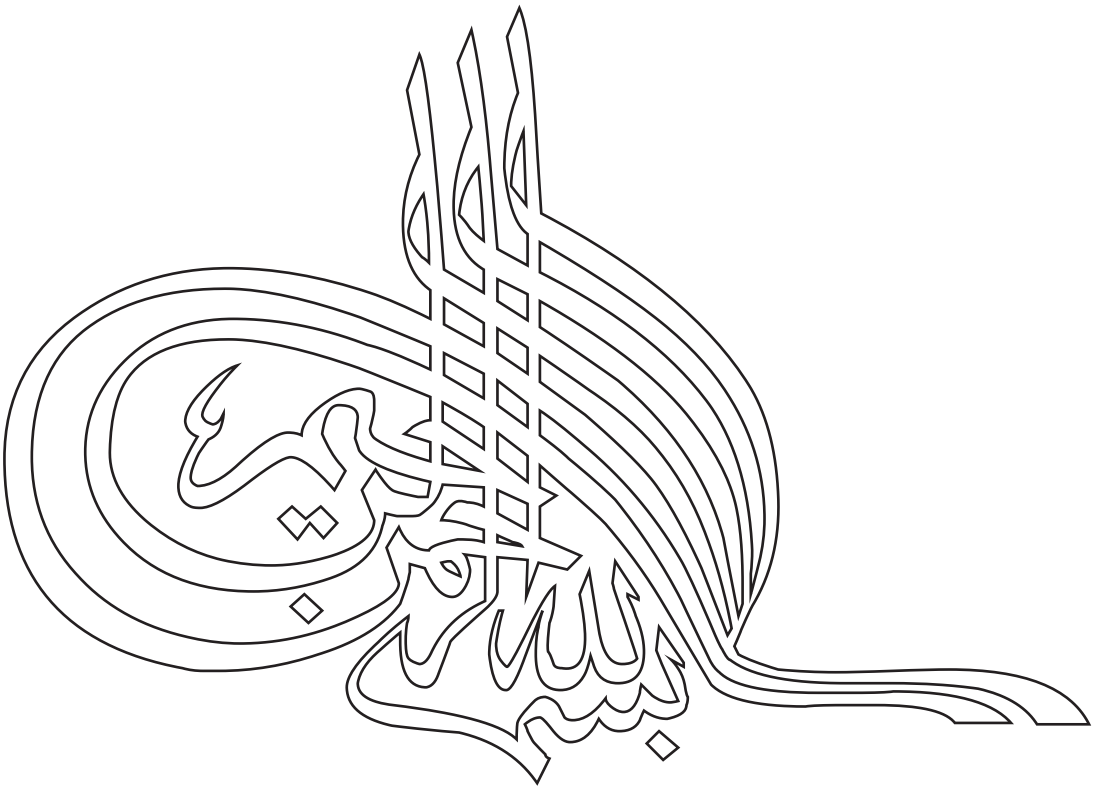

In the Name of ALLAH, who is
the most Merciful & the most Beneficent.

CONTENTS

CRESCENT COTTON MILLS LIMITED

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY

GENERAL INFORMATION

PRINCIPAL & REGISTERED OFFICE
New Lahore Road,
Nishatabad,
Faisalabad.
Phones : (041) 8750363-64
Fax : (041) 8750366
URL : www.crescentcotton.com
info@crescentcotton.com

KARACHI OFFICE

Office # 408, Business Avenue,
Plot # 26-A, Block # 6, P.E.C.H.S.,
Shahrah-e-Faisal,
Karachi - Pakistan.
Phones : (021) 34387315-7
Fax : (021) 34387318

LAHORE OFFICE

3rd Floor, 151, CCA, Commercial Area
DHA Phase 5, Above KFC, Lahore.
Phones : (042) 37182005

WORKS

Spinning Unit # 1& 2

Kotla Kahlon,
8/9 Kilometers from
Shahkot towards Sheikupura,
Shahkot Distt. Nankana.
Phones : (041) 2024350
Fax : (041) 2044590

SUBSIDIARY

CRESCOT MILLS LIMITED

PRINCIPAL & REGISTERED OFFICE
Office # 408, Business Avenue,
Plot # 26-A, Block # 6, P.E.C.H.S.,
Shahrah-e-Faisal,
Karachi - Pakistan.
Phones : (021) 34387315-7
Fax : (021) 34387318

Chief Executive Officer
Mr. Adnan Amjad

COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Taimur Amjad (Chairman) Mr. Abid Mehmood (Chief Executive Officer)
DIRECTORS (In alphabetical order)	Mr. Adnan Amjad Mr. Naveed Gulzar Ms. Nazish Arshad Mr. Salman Rafi Mrs. Shameen Azfar
AUDIT COMMITTEE	Mr. Salman Rafi (Chairman) Mr. Adnan Amjad (Member) Mr. Taimur Amjad (Member)
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mrs. Shameen Azfar (Chairman) Mr. Adnan Amjad (Member) Ms. Nazish Arshad (Member)
COMPANY SECRETARY	Mr. Sami Ullah
BANKERS	National Bank of Pakistan
AUDITORS	Riaz Ahmad & Compnay Chartered Accountants
COMPANY REGISTRAR	Vision Consulting Limited. 5-C, LDA Flats, 1st Floor, Lawrance Road, Lahore. Ph: 042-36283096-7
URL	www.crescentcotton.com

CRESCENT COTTON MILLS LIMITED
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 66th Annual General Meeting of the shareholders of the Company will be held on Monday the 28th October, 2024 at 9.30 a.m. at Registered Office of the Company New Lahore Road, Nishatabad, Faisalabad to transact the following business:

1. To receive, consider and adopt the Chairman's Review Report, the Reports of Directors and Auditors together with Audited Annual Separate and Consolidated Financial Statements for the year ended 30 June 2024.
2. To appoint Company's external auditors and to fix their remuneration.
3. To transact any other business with the permission of the chair.

On Behalf Of The Board
(Sami Ullah Ch.)
Company Secretary

REGISTERED OFFICE:
Crescent Cotton Mills Limited
New Lahore Road, Nishatabad,
Faisalabad: Phone No. 041-8750363-4
Dated: October 02, 2024

NOTES

1. The Share Transfer Books of the Company will remain closed from October 21, 2024 to October 28, 2024 (both days inclusive).Transfers received at the Share registrar office Vision Consulting Limited, 3-C, LDA Flats, Lawrence Road, Lahore at the close of business on October 19, 2024 will be treated in time for the purpose of entitlement to attend the Annual General Meeting.
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. 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 notarially 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.
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 in Circular No.1 dated January 26, 2000 of the Securities and Exchange Commission of Pakistan:

a. For attending the meeting:

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 authenticate his identity by showing his original National Identity Card (NIC) or original passport at the time of attending the meeting. The shareholders registered on CDC are also requested to bring their Participants I.D. numbers and account numbers in CDC.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

b. For appointing proxies

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 and NIC Nos. shall be mentioned on the form.

iii). Attested Copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv). The proxy shall produce his original NIC 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 signature of the nominee shall be submitted (unless it has been provided earlier) alongwith 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. Circulations of Annual Reports through QR enabled code and weblink:

Pursuant to the Securities and Exchange Commission of Pakistan ("SECP) notification S.R.O. 389(I)/2023 dated March 21, 2023 the shareholders of Crescent Cotton Mills Limited had accorded their consent for transmission/circulate the Annual Audited Financial Statements including Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Directors Report, etc. ("annual audited financial statements") other information contained therein of the Company to its members through QR enabled code and weblink instead of circulation through CD/DVD/USB.

The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form 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 available on the Company's website: www.crescentcotton.com

7. The members can attend the AGM via video link using smart phones / tablets. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information alongwith valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at info@crescentcotton.com by October 25, 2024.

8. Placement of Financial Statements The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended June 30, 2024 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company and can be accessed through following weblink and QR Code:

Weblink: http://crescentcotton.com/en/financialresult.html

VISION

To continue to hold a highly prestigious profile amongst the national as well as international industry though producing international quality yarn, embroidered cloth, grey cloth and socks, while ever endeavoring for a sustainable growth of the Company.

MISSION

The company's primary mission is to be a profitable performance proven leader in quality yarn, embroidered cloth, grey cloth and socks manufacturing, with recognition coming from our customers, our equity holder, our employees and the public at large. The company seeks to accomplish this in a manner that contributes to the strengthening of the free enterprise system, to the development and growth of its employees, and to the goals of the country and the community towards fulfilling its social responsibilities/obligations in a befitting manner.

CHAIRMAN'S REVIEW

I present this report to the shareholders of Crescent Cotton 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, 2019, the Board has developed a mechanism for the evaluation of performance of the Board of Directors. For the financial year ended June 30, 2024, 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.

TAIMUR AMJAD
CHAIRMAN
Faisalabad
October, 02, 2024

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Directors of your Company are pleased to present their report and audited financial statements for the year ended June 30, 2024 together with the auditors' report thereon.

Overview Of Economy And Industry

The textile industry has encountered numerous challenges throughout the current fiscal year, particularly the issues of un-competitiveness and high utility costs, alongside an elevated borrowing rate. These challenges have exerted significant pressure on a multitude of industrial units, impacting their performance. Despite these adversities, our company has demonstrated better performance over the year, achieving a revenue of Rs. 7.723 billion, marking an impressive increase of nearly 21% compared to the corresponding period. This growth can be attributed to better capacity utilization and increased prices of our products. Furthermore, the company has reported a net profit of Rs. 50.675 million for the year under review. Our earnings per share in aggregate stands at Rs. 2.24, compared to Rs. 5.07 in 2023. The persistently high cost of borrowing throughout the year, driven by increases in policy rates, has also posed challenges. Cotton production this year reached approximately 8.5 million bales, representing an increase from the previous year but still falling short of industry requirements. Consequently, cotton imports were necessary to meet the shortfall and cater to the production of specific products. Cotton prices exhibited a mixed trend throughout the year, reaching their peak during the last quarter of the financial year.

Financial And Operational Performance

The company, despite of many operational challenges has been able to post better results in profitability through persistent and diligent efforts.

Our textile business faced a number of challenges wherein both the demand and margins fell considerably. In spite of operating in such adverse circumstances your company managed to earn profit during the year under review hence, we have performed much better than many other similar units operating in the country.

The company earned a post-tax profit of Rs. 50.675 million as compared to post-tax profit of Rs. 114.785 million in the last year.

Sales revenue during the year under review has been recorded at Rs. 7,723.325 million which has comparatively better than last year's sales of Rs. 6,386.209 million. The increase in revenue is due to the increased volume of export sales.

Our gross profit ratio to sales for continuing operations this year is 8.00% (2023: 7.33%) and discontinued operation is 3.26% (2023: Nil).

Summary of key financial results in comparison to last year are highlighted as below:

PROFIT AND LOSS	FY-2024				FY-2023		INCREASE/(DECREASE)	
	CONTINUING OPERATIONS	**DISCONTINUED OPERATIONS**	**TOTAL** RS. IN "000"	%	**TOTAL** RS. IN "000"	%	**TOTAL** RS. IN "000"	%
Sales revenue	4,570,592	1,760,733	6,331,325	100%	5,922,209	100%	409,116	6.91%
Cost of sales	4,093,638	1,703,417	5,797,055	93.08%	5,454,058	92.67%	342,997	6.28%
Gross profit	476,954	57,316	534,270	6.92%	468,151	7.33%	66,119	14.12%
Operating expenses	310,094	20,666	330,760	4.28%	300,351	4.70%	30,409	10.12%
Other income	55,436	1,577	57,013	0.74%	128,951	2.02%	(71,938)	(55.79)
Profit from operations	222,296	38,227	260,523	3.37%	296,751	4.65%	(36,228)	(12.21)
Finance cost	83,688	43,594	127,282	1.65%	109,798	1.72%	17,484	15.92%
Taxation	61,966	20,596	82,562	1.07%	72,168	1.13%	10,394	14.40%
Profit / (Loss) after taxation	76,642	(25,963)	50,679	0.66%	114,785	1.80%	(64,106)	(55.85)
Earnings Per Share (Rs.)								
Continuing Operations	3.38						(1.69)	
Discontinued operation	(1.15)						(1.15)	

The year under review has been a difficult one for the company, a time of cost-push inflation due to a rapidly depreciating currency and high interest rates. Most of the world remained under stress at this time as well and demand was slack at best. Exports throughout the year declined on a monthly basis and local sales were also slow in quantity and prices also declined steadily. The cotton crop output was at a historic low primarily due to adverse weather. As a consequence of this, mills were forced to cover their requirements through import. However, due to low foreign exchange reserves, letter of credit was delayed by which time the prices came down and the currency depreciated leading to large inventory losses. Raw material and finished goods inventories were also at their highest point and as the policy rate kept rising, the losses were compounded. In Pakistan the policy rate has been enhanced to exorbitant levels which have led to high costs and a negative bottom line.

The current year's cotton crop is not expected to be better than last year in terms of yield. The quality parameters are also not so good and we hope that Pakistan's reliance on imported cotton could increase resulting in foreign exchange outflows. Although the price points of the new arrivals are better, higher cost structures are proving to be an impediment. High interest rates impede industrialization and growth is essential for our economy. Job creation and foreign exchange comes from industry and for that competitive energy is a must. Recently, due to IMF strictures, the government has decided to discontinue the regionally competitive electricity tariff which has led to a very high cost of power to industry.

Shortages of gas and electricity to the industry have been devastating. Whatever utilities are available are un-competitively priced and affecting the profitability. We do not plead for subsidies but we not be subsidizing other sectors. We urge the government to provide the industry with an enabling environment to perform effectively and in a competitive environment.

Financial Strength

The company has been able to improve its financial strength, the current ratio of the company is now 1.19 (2023: 1.14). The Company's cash flow management system projects cash inflows and outflows on a regular basis and monitors the cash position on a daily basis. The Company manages its working capital requirements through short term borrowings.

Earnings Per Share

The profit per share from continuing operations stood at Rs. 3.38 per share (2023: Rupees 5.07 per share) and loss per share from discontinued operation 1.15 per share (2023: Nil).

Risk And Opportunities

Crescent Cotton Mills Limited takes risks and creates opportunities in the normal course of business. Taking risk is important to remain competitive and ensure sustainable success. Our risk and opportunity management encompass an effective framework to conduct business in a well controlled environment where risk is mitigated and opportunities are availed. Each risk and opportunity is properly weighted and considered before making any choice. Decisions are formulated only if opportunities outweigh risks. Following is the summary of risks and strategies to mitigate those risks:

Strategic Risks

We are operating in a competitive environment where innovation, quality and cost matters. This risk is mitigated through continuous research & development. Strategic risk is considered as the most crucial of all the risks. Head of all business divisions meet at regular basis to form an integrated approach towards tackling risks both at the international and national level.

Business Risks

The Company faces a number of following business risks:

Cotton Supply and Price

The supply and prices of cotton is subject to the act of nature and demand dynamics of local and international cotton markets. There is always a risk of non-availability of cotton and upward shift in the cotton prices in local and international markets. The Company mitigates this risk by the procurement of the cotton in bulk at the start of the harvesting season.

Export Demand and Price

We face the risk of competition and decline in demand of our products in international markets. We minimize this risk by building strong relations with customers, broadening our customer base, developing innovative products without compromising on quality and providing timely deliveries to customers.

Energy Availability and Cost

The rising cost and un-availability of energy i.e. electricity and gas shortage is a major threat to manufacturing industry. This risk, if unmitigated can render us misfit to compete in the international markets. In order to counter the rising energy costs, the Company is considering to opt for alternative renewable energy sources. The measures to conserve energy have also been taken at all manufacturing facilities of the Company.

Financial Risks

The Board of Directors of the Company is responsible to formulate the financial risk management policies that are implemented by the Finance Department of the Company. The Company faces the following financial risks:

Currency risk

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to United States Dollar (USD) and Great Britain Pound (GBP). The Company's foreign exchange risk exposure is restricted to the amounts receivable from the foreign entities.

Interest rate risk

The Company's interest rate risk arises from long term financing and short term borrowings. Fair value sensitivity analysis and cash flow sensitivity analysis shows that the Company's profitability is not materially exposed to the interest rate risk.

Credit risk

The Company's credit exposure to credit risk and impairment losses relates to its trade debts, investments, bank balances, other receivables, loans, advances and deposits. This risk is mitigated by the fact that majority of our customers have a strong financial standing and we have a long standing business relationship with all our customers. We do not expect nonperformance by our customers; hence, the credit risk is minimal.

Liquidity risk

It is at the minimum due to the availability of enough funds through committed credit facilities from the Banks and Financial institutions.

Employee Recruitment And Retention

Failure to attract and retain the right people may adversely affect the achievement of company's growth plan. Strong emphasis is placed on the company's human resource and its skill set. We operate the best talent management and human resource instruments to attract, retain and motivate personnel and staff.

Product Development

The management of the company is focused on the product development for the export market and later on development of our own brand of high international value products, which should create its own demand in the international market. More than 90% production of the company can be classified to the basic commodity items and to develop a suitable market for a commodity item is a big task for which the management is constantly striving.

Statement on Corporate and financial reporting framework

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.

- Proper books of account of the listed Company have been maintained.

- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures there from has been adequately disclosed and explained, if any.

- The system of internal control is sound in design and has been effectively implemented and monitored, and,

- There are no significant doubts upon the listed Company's ability to continue as a going concern.

- Summarized key operating and financial data for last six years is annexed.

- All the statutory payments on account of taxes, duties, levies and charges have been made except those disclosed in the financial statements.

- There are seven (7) directors of the Company including:

  i) 5 Male
  ii) 2 Female

- There have been five (5) Board Meetings during the year and attendance of each director is stated under:-

NAME OF DIRECTOR **(In alphabetical order)**		**MEETINGS ATTENDED**
Mr. Abid Mahmood	- Chief Executive Officer	5
Mr. Adnan Amjad	- Non-Executive Director	5
Mr. Naveed Gulzar	- Executive Director	5
Miss. Nazish Arshad	- Non-Executive Director	5
Mr. Salman Rafi	- Independent Director	1
Mrs. Shameen Azfar	- Independent Director	4
Mr. Taimur Amjad	- Chairman	5

- During the year four (4) meetings of the Audit Committee were held and following were the attendance:-

NAME OF DIRECTOR **(In alphabetical order)**		**MEETINGS ATTENDED**
Mr. Salman Rafi	- Chairman	1
Mr. Adnan Amjad	- Member	4
Mr. Taimur Amjad	- Member	4

- The members composition of HR Committee is as Follows:

i.	Mrs. Shameem Azfar	- Chairman
ii.	Mr. Adnan Amjad	- Member
iii.	Miss Nazish Arshad	- Member

Financial Statements

As required under regulation 25 of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Chief Executive Officer and Chief Financial Officer presented the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors and the Board after consideration and approval authorized the signing of financial statements for issuance and circulation.

Consequent upon the approval of shareholders in extra ordinary general meetings held on March 14, 2024 and June 03, 2024, approval has been granted for disposal of Company's Land and Buildings situated at Nishatabad, Faisalabad and assets of complete spinning unit located at 46 Km., Lahore Multan Road, Chak # 66, Dina Nath, Tehsil Pattoki, District Kasur. As the management of the company is still vigorously in search of buyers these assets have been classified as Non-Current assets held for sale as at June 30,2024. However, the management has signed an assets sale and purchase agreement for the disposal of spinning unit on October 01, 2024.

The financial statements of the Company have been duly audited and approved without qualification by the auditors of the Company M/s. Riaz Ahmad & Company, Chartered Accountants and their report is attached with the financial statements.

Appropriations

The Board of Directors of the company feels that it is prudent to plough back the profits for future growth and enhanced working capital needs of the company and do not recommend any dividend for the year ended June 30, 2024. The Company will be able to provide sufficient returns to shareholders in the upcoming years.

Pattern of Shareholding

The pattern of shareholding as per section 227 of the Companies Act, 2017 is attached.
During the year the detail of shares purchased/sold by directors is as under:-

SR.#	NAME OF DIRECTOR/SPOUSE/MINOR	SHARES INHERITED
1.	Mrs. Shameen Azfar	2,381

Except that of the above directors/spouses/minor children, remaining directors, CFO, Company Secretary and their spouses and minor children have not traded in the shares of the Company.

Related parties

The transactions between the related parties were carried out at arm's length prices determined in accordance with the comparable uncontrolled prices method. These transactions have been ratified by the Audit Committee and approved by the Board.

Gender Pay Gap Statement Under Circular No 10 Dated 17 April 2024:

There are a few females in the Company. However, following is gender pay gap calculated for the year ended 30-06-2024

(i)	Mean Gender Pay Gap	:	95%
(ii)	Median Gender Pay Gap	:	63%

To Address the Sustainability Risks and Opportunities

The Board is in process to establish a dedicated Sustainability Committee in order to monitor and review sustainability related risks and opportunities of the Company. The committee will be responsible to ensure Diversity, Equity and Inclusion (DE&I) practices and to encourage gender mainstreaming, gender equality and the participation of women in management and workforce of the Company.

Corporate Governance

The Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 is annexed.

Committees Of The Board

The board of directors in compliance with the Code of Corporate Governance has established an Audit Committee and Human Resources and Remuneration Committee.

Corporate Social Responsibility

The Company understands its corporate responsibility towards the society and fulfills its obligation by providing financial support to under privileged members of the society and its deserving employees as well as doing philanthropy work. The company is also contributing considerable amounts to the National Exchequer, applying solutions for energy conservation and environment protection, providing best quality products and after-sales technical services to its valued customers.

The Company regularly donates generous amounts to various institutions constituted for dealing with natural calamities as part of its philanthropic activities. The Company is providing healthy, safe and learning work environment to its employees and sends them to attend training courses, seminars, workshops and conferences both within the country and abroad.

External Auditors

The present external auditors M/s. Riaz Ahmad and Co, Chartered Accountants would retire at the conclusion of the annual general meeting and being eligible for re-appointment have given their consent. Based on the suggestion of the audit committee, the Board has recommended re-appointment of M/s. Riaz Ahmad and Co, Chartered Accountants as external auditors for the year ending June 30, 2025.

Events after reporting date

There is no significant event after reporting period which needs to be mentioned in Directors' Report.

Consolidated financial statements

Consolidated financial statements with accompanying information have been annexed as required under section 228 of the Companies Act, 2017.

Way Forward

Future Prospects of Pakistan's economy faces significant uncertainty, characterized by high inflation and a decline in large-scale manufacturing. The cost of conducting business remains prohibitively high, and the textile industry is encountering escalating difficulties amidst regional competition.

Global demand remains subdued, resulting in depressed demand of end products. The industry will continue to grapple with these challenges until issues pertaining to energy and borrowing costs are addressed, a task made daunting by commitments to the IMF. Despite the depreciation of the rupee, international market competitiveness remains challenging. Consequently, a substantial portion of spinning production has been curtailed, and one of our unit at 46 km, Lahore, Multan Road, Chak # 66, Dina Nath, Tehsil Pattoki, District Kasur has ceased production and consequent upon approval of shareholders has been declared as held for sale. This is primarily attributed to high energy prices and increasing inflation. In response to consumer demands for lower prices, we must strive to reduce our operational costs to remain competitive. With a new government in office, we are hopeful that industry challenges will be addressed, enabling the textile sector to realize its full potential.

The textile sector in Pakistan is facing numerous challenges such as high interest rates, uncertainty in exchange rate, increasing ocean freight cost, elevated power tariffs, rising raw material costs, and higher inflation rates. Moreover, unexpected fluctuations in the foreign exchange rate have created uncertainty into pricing strategies. Looking ahead, the financial year 2024-25 is expected to be even more challenging in view of unrest in the Middle as a result of Iranian missile attacks on Israel and counter attack of Israel on Iran are posing persistent threats to the global economy, potentially leading to reduced economic activity worldwide and increase in fuel prices. The economists and institutions are not predicting any improvement in global growth for the fiscal year 2025, with no significant demand recovery in textile products in international market. The management of your company is proactively addressing these challenges by focusing on cost minimization, operational optimization, enhancing capacity and improving efficiencies to achieve favourable financial results in the enduring financial year.

SUBSIDIARY

CRESCOT MILLS LIMITED (CML)

CML is engaged in the business of trading of raw materials of textiles. During the year CML earned revenue of Rupees 441.459 million and earned profit after taxation of Rupees 0.035 million.

For and on behalf of
the Board of Directors

ABID MEHMOOD
CHIEF EXECUTIVE OFFICER

NAVEED GULZAR
DIRECTOR

Faisalabad
October 02, 2024

کریسنٹ کاٹن ملز لمیٹڈ

حصص یافتگان کے لیے ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز مالی سال مختتمہ 30 جون 2024ء کے لیے آڈٹ شدہ مالی معلومات پر مبنی رپورٹ آڈیٹران کی رپورٹ کے ہمراہ آپ کی خدمت میں پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معیشت اور انڈسٹری کا جائزہ:

ٹیکسٹائل کی صنعت کو رواں مالی سال کے دوران متعدد چیلنجوں کا سامنا رہا ہے جن میں قرض لینے کی بلند شرح کے ساتھ ساتھ غیر مسابقتی اور خدمات وضروریات کی بلند لاگت کے مسائل قابل ذکر ہیں۔ ان چیلنجز نے صنعتی یونٹس کی ایک بڑی تعداد پر نمایاں دباؤ ڈالا ہے، جس سے ان کی کارکردگی متاثر ہوئی ہے۔ ان مشکلات کے باوجود، ہماری کمپنی نے سال بھر میں بہتر کارکردگی کا مظاہرہ کرتے ہوئے 7.723 بلین روپے کی آمدنی حاصل کی ہے جو کہ اسی مدت کے مقابلے میں تقریباً 21 فیصد کا متاثر کن اضافہ ہے۔ اس ترقی کی وجہ صلاحیت کے بہتر استعمال اور ہماری مصنوعات کی بڑھتی ہوئی قیمتوں کو قرار دیا جاسکتا ہے۔ مزید برآں، کمپنی نے زیر نظر سال کے لیے 50.675 ملین روپے کا خالص منافع رپورٹ کیا ہے۔ ہماری فی حصص آمدنی 2023 کی 5.07 کے مقابلے میں 2.24 روپے رہی۔ پالیسی ریٹ میں اضافے کی وجہ سے سال بھر میں قرض لینے کی مسلسل بلند قیمت نے بھی چیلنجز کو جنم دیا ہے۔ اس سال کپاس کی پیداوار تقریباً 8.5 ملین گانٹھوں تک پہنچ گئی، جو پچھلے سال کے مقابلے میں اضافے کی نمائندگی کرتی ہے لیکن پھر بھی صنعت کی ضروریات سے کم ہے۔ نتیجتاً، کمی کو پورا کرنے اور مخصوص مصنوعات کی پیداوار کو پورا کرنے کے لیے کپاس کی درآمد ضروری تھی۔ کپاس کی قیمتیں سال بھر میں ملے جلے رجحان کا مظاہرہ کرتی رہیں، مالی سال کی آخری سہ ماہی کے دوران اپنے عروج پر پہنچ گئیں۔

مالیاتی اور عملی کارکردگی:

کمپنی، کئی عملی چیلنجز کے باوجود مسلسل اور مستعد کوششوں کے ذریعے منافع میں شاندار بہتری لانے میں کامیاب رہی ہے۔

ہمارے ٹیکسٹائل کے کاروبار کو متعدد چیلنجز کا سامنا کرنا پڑا ہے جس میں طلب اور منافع دونوں کافی حد تک کم ہوگئے ہیں۔ اس طرح کے نامساعد حالات میں کام کرنے کے باوجود آپ کی کمپنی زیر جائزہ سال کے دوران نفع حاصل کرنے میں کامیاب رہی ہے۔ ہم نے ملک میں کام کرنے والے ایسے ہی دیگر یونٹوں کے مقابلے میں بہت بہتر کارکردگی کا مظاہرہ کیا ہے۔

کمپنی کو پچھلے سال کے 114.785 ملین روپے بعد از ٹیکس منافع کے مقابلہ میں 50.675 ملین روپے بعد از ٹیکس منافع ہوا۔

زیر جائزہ سال کے دوران فروخت کی آمدنی 7,723.325 ملین روپے ریکارڈ کی گئی جو پچھلے سال کی فروخت 6,386.209 ملین روپے کے مقابلے میں نسبتاً بہتر ہوئی ہے۔ آمدنی میں اضافہ برآمدات کی فروخت کے بڑھتے ہوئے حجم کی وجہ سے ہے۔

اس سال جاری آپریشنز کے لیے ہمارے مجموعی منافع کا تناسب 8.00٪ (2023: 7.33٪) اور بند آپریشنز پر 3.26٪ (2023: صفر) ہے۔

پچھلے سال کے مقابلے میں کلیدی مالی نتائج کا خلاصہ ذیل میں نمایاں ہے:

پچھلے سال کے مقابلے میں کلیدی مالی نتائج کا خلاصہ

نفع اور نقصان	مالی سال 2024				مالی سال 2023		فرق	
	جاری آپریشنز	بند آپریشنز	(000) روپے	فیصد	(000) روپے	فیصد	(000) روپے	فیصد
فروخت کی آمدن	4,570,592	1,760,733	6,331,325	100%	5,922,209	100%	409,116	6.91%
فروخت کی لاگت	4,093,638	1,703,417	5,797,055	93.08%	5,454,058	92.67%	342,997	6.28%
خام منافع	476,954	57,316	534,270	6.92%	468,151	7.33%	66,119	14.12%
عملی اخراجات	310,094	20,666	330,760	4.28%	300,351	4.70%	30,409	10.12%
دیگر آمدنی	55,436	1,577	57,013	0.74%	128,951	2.02%	(71,938)	(55.79)
آپریشنز سے منافع	222,296	38,227	260,523	3.37%	296,751	4.65%	(36,228)	(12.21)
مالیاتی لاگت	83,688	43,594	127,282	1.65%	109,798	1.72%	17,484	15.92%
محصولات	61,966	20,596	82,562	1.07%	72,168	1.13%	10,394	14.40%
نفع/(نقصان) بعد ٹیکس	76,642	(25,963)	50,679	0.66%	114,785	1.80%	(64,106)	(55.85)
فی شیئر آمدن								
جاری آپریشنز	3.38				5.07		(1.69)	
بند آپریشنز	(1.15)				-		(1.15)	

زیرِ نظر سال کرنسی کی تیزی سے گرتی ہوئی قدر اور بلند شرح سود کی وجہ سے لاگت میں اضافے کے باعث کمپنی کے لیے مشکل رہا۔ اس وقت بھی دنیا کا بیشتر حصہ تناؤ کا شکار رہا اور طلب ست ترین سطح پر تھی۔ پورے سال کے دوران برآمدات ماہانہ بنیادوں پر کم ہوتی رہیں اور مقامی فروخت بھی مقدار میں ست رہی اور قیمتوں میں بھی مسلسل کمی واقع ہوئی۔ بنیادی طور پر خراب موسم کی وجہ سے کپاس کی فصل کی پیداوار تاریخی طور پر کم رہی۔ اس کے نتیجے میں ملیں درآمد کے ذریعے اپنی ضروریات پوری کرنے پر مجبور ہوئیں۔ تاہم، زرمبادلہ کے کم ذخائر کی وجہ سے، لیٹر آف کریڈٹ میں تاخیر ہوئی جس کی وجہ سے قیمتیں نیچے آگئیں اور کرنسی کی قدر میں کمی ہوئی جس کی وجہ سے انوینٹری کا بڑا نقصان ہوا۔ خام مال اور تیار سامان کی انوینٹری بھی اپنے بلند ترین مقام پر تھی اور جیسے جیسے پالیسی ریٹ بڑھتا رہا، نقصانات بڑھتے گئے۔ پاکستان میں پالیسی ریٹ کو انتہائی حد تک بڑھا دیا گیا ہے جس کی وجہ سے لاگتیں زیادہ ہیں اور نیچے کی سطح منفی ہے۔

موجودہ سال کپاس کی فصل پیداوار کے لحاظ سے گزشتہ سال سے بہتر ہونے کی توقع نہیں ہے۔ معیار کے آثار بھی اتنے اچھے نہیں ہیں اور ہم امید کرتے ہیں کہ درآمدی کپاس پر پاکستان کا انحصار بڑھ سکتا ہے جس کے نتیجے میں زرمبادلہ کا اخراج ہوگا۔ اگرچہ نئے آنے والوں کے قیمت کے نکات

بہتر ہیں، لیکن زیادہ لاگت والی ساخت اس میں رکاوٹ ثابت ہو رہی ہے۔ بلند شرح سود صنعت کاری میں رکاوٹ ہے اور ہماری معیشت کے لیے ترقی ضروری ہے۔ روزگار کی تخلیق اور زرمبادلہ صنعت سے آتا ہے اور اس کے لیے مسابقتی توانائی ضروری ہے۔ حال ہی میں، آئی ایم ایف کی سختیوں کی وجہ سے، حکومت نے علاقائی طور پر مسابقتی بجلی کے ٹیرف کو ختم کرنے کا فیصلہ کیا ہے جس کی وجہ سے صنعت کو بجلی کی قیمت بہت زیادہ ہو گئی ہے۔

صنعتوں کے لیے گیس اور بجلی کی قلت تباہ کن ہے۔ جو بھی ضروریات دستیاب ہیں وہ غیر مسابقتی قیمت پر ہیں اور منافع کو متاثر کرتی ہیں۔ ہم رعایت کی درخواست نہیں کرتے لیکن ہم دوسرے شعبوں کو سبسڈی نہیں دے رہے ہیں۔ ہم حکومت پر زور دیتے ہیں کہ وہ صنعت کو موثر اور مسابقتی ماحول میں کارکردگی کا مظاہرہ کرنے کے لیے سازگار ماحول فراہم کرے۔

مالی طاقت:

کمپنی اپنی مالی طاقت کو بہتر بنانے میں کامیاب رہی ہے، کمپنی کا موجودہ تناسب اب 1.19 ہے (2023 میں 1.14)۔ کمپنی کا کیش فلو مینجمنٹ سسٹم مستقل بنیادوں پر کیش ان فلو اور آؤٹ فلو کا منصوبہ بناتا ہے اور روزانہ کی بنیاد پر کیش پوزیشن پر نظر رکھتا ہے۔ کمپنی قلیل المدتی قرضوں کے ذریعے اپنے جاری سرمایہ کی ضروریات کا انتظام کرتی ہے۔

فی حصص آمدنی:

جاری آپریشنز سے فی حصص نفع 3.38 روپے رہا۔ (2023ء میں فی حصص نفع 5.07 روپے) اور بند آپریشنز سے فی شیئر نقصان 1.15 فی شیئر (2023: صفر)۔

خطرات اور مواقع:

کریسنٹ کاٹن ملز لمیٹڈ خطرہ مول لیتی ہے اور عام کاروبار میں مواقع پیدا کرتی ہے۔ مسابقتی رہنے اور پائیدار کامیابی کو یقینی بنانے کے لئے خطرہ مول لینا ضروری ہے۔ ہمارا ''خطرہ اور موقع'' کا نظم و نسق ایک اچھے کنٹرولڈ ماحول میں کاروبار کرنے کے لئے ایک موثر فریم ورک کا احاطہ کرتا ہے جہاں خطرہ کم ہوتا ہے اور مواقع سے استفادہ کیا جاتا ہے۔ کسی بھی فیصلے سے قبل ''خطرہ اور موقع'' کو مناسب طریقے سے پرکھا اور سمجھا جاتا ہے۔ فیصلے صرف اسی صورت میں طے کیے جاتے ہیں جب مواقع خطرے سے کہیں زیادہ ہوں۔ درپیش خطرات اور ان خطرات کو کم کرنے کی حکمت عملی کا خلاصہ درج ذیل ہے:

تزویراتی خطرات:

ہم ایک مسابقانہ ماحول میں کام کر رہے ہیں جہاں جدت، معیار اور لاگت معنی رکھتے ہیں۔ اس خطرے کو مسلسل تحقیق اور ترقی کے ذریعے کم کیا جاتا ہے۔ تزویراتی خطرہ تمام خطرات میں سب سے اہم سمجھا جاتا ہے۔ تمام کاروباری شعبہ جات کے سربراہ ملکی و بین الاقوامی سطح پر پیش آمدہ خطرات سے نمٹنے کے لیے مربوط حکمت عملی بنانے کیلئے مستقل بنیادوں پر رابطے میں رہتے ہیں۔

کاروباری خطرات:

کمپنی کو درج ذیل متعدد کاروباری خطرات کا سامنا ہے:

کپاس کی رسد اور قیمت:

کپاس کی رسد اور قیمتیں فطرتی عمل اور مقامی و بین الاقوامی کپاس کی منڈیوں میں طلب کے محرکات کے تابع ہیں۔ کپاس کی عدم دستیابی اور قومی و بین الاقوامی منڈیوں میں کپاس کی قیمتوں میں اضافے کا خطرہ ہمیشہ رہتا ہے۔ کمپنی کٹائی کے موسم کے آغاز پر ہی کپاس کی بھاری مقدار کی خریداری کر کے اس خطرہ کو کم کرتی ہے۔

برآمدی طلب اور قیمت:

ہمیں بین الاقوامی منڈیوں میں اپنی مصنوعات کی طلب میں کمی اور مسابقت کے خطرے کا سامنا رہتا ہے۔ ہم صارفین کے ساتھ مضبوط تعلقات استوار کرنے، کسٹمر بیس کو وسیع کرنے، معیار پر سمجھوتہ کیے بغیر جدید مصنوعات تیار کرنے اور صارفین کو بروقت فراہمی کو یقینی بنا کر اس خطرے کو کم کرتے ہیں۔

توانائی کی دستیابی اور قیمت:

توانائی کی بڑھتی ہوئی قیمتیں اور عدم دستیابی یعنی بجلی اور گیس کی کمی پیداواری صنعت کیلئے بہت بڑا خطرہ ہے۔ اگر یہ خطرہ کم نہ کیا جائے تو بین الاقوامی منڈیوں میں مسابقت کیلئے ہمیں نا اہل کر سکتا ہے۔ توانائی کے بڑھتے ہوئے اخراجات کا مقابلہ کرنے کے لیے کمپنی متبادل قابل تجدید توانائی کے ذرائع اختیار کر رہی ہے۔ کمپنی کی تمام پیداواری سہولیات پر بھی توانائی کی بچت کے اقدامات کیے گئے ہیں۔

مالی خطرات:

کمپنی کا بورڈ آف ڈائریکٹرز ذمہ دار ہے کہ وہ مالیاتی رسک مینجمنٹ کی پالیسیاں مرتب کرے جو کمپنی کے شعبہ فنانس کے ذریعہ نافذ ہیں۔ کمپنی کو درج ذیل مالی خطرات کا سامنا ہے:

کرنسی کا خطرہ:

کمپنی کو بنیادی طور پر امریکی ڈالر اور برطانوی پاؤنڈ کے سلسلے میں مختلف کرنسیوں کے اظہار سے پیدا ہونے والے کرنسی کے خطرے کا سامنا ہے۔ کمپنی کے غیر ملکی زرمبادلہ کے خطرہ کا اظہار غیر ملکی اداروں سے قابل وصولی رقومات تک محدود ہے۔

شرح سود کا خطرہ:

کمپنی کو شرح سود کا خطرہ طویل مدتی فنانسنگ اور قلیل مدتی قرضے سے پیدا ہوتا ہے۔ مناسب قدر کی حساسیت کا تجزیہ اور نقد بہاؤ کی حساسیت کا تجزیہ ظاہر کرتا ہے کہ کمپنی کا نفع شرح سود کے خطرے سے مادی طور پر خالی نہیں ہے۔

ادھار کا خطرہ:

کمپنی کے ادھار کے خطرات اور خرابی کے نقصانات کے لیے کمپنی کا کریڈٹ ایکسپوژر اس کے تجارتی قرضوں، سرمایہ کاری، بینک بیلنس، دیگر قابل وصول، قرضوں، ایڈوانسز اور ڈپازٹس سے متعلق ہے۔ اس خطرے کو اس حقیقت سے کم کیا جاسکتا ہے کہ ہمارے بیشتر صارفین کی مالی حیثیت مضبوط ہے اور ہمارے تمام صارفین کے ساتھ ہمارے دیرینہ کاروباری تعلقات ہیں۔ ہم اپنے صارفین کی طرف سے عدم تعاون کی توقع نہیں کرتے لہٰذا ادھار کا خطرہ کم ہے۔

لیکیوڈٹی کا خطرہ:

بینکوں اور مالیاتی اداروں سے وابستہ ادھار کی سہولیات کے ذریعہ معقول فنڈز کی دستیابی کی وجہ سے یہ خطرہ کم از کم ہے۔

ملازمین کی بھرتی اور معاوضہ:

درست لوگوں کو راغب کرنے اور انہیں قائم رکھنے میں ناکامی کمپنی کے ترقیاتی منصوبے کے حصول کو بری طرح متاثر کرسکتی ہے۔ کمپنی کے انسانی وسائل اور ہنرمندی پر سخت زور دیا جاتا ہے۔ ہم عملے اور اسٹاف کو راغب اور برقرار رکھنے اور ان کی حوصلہ افزائی کے لیے بہترین ٹیلنٹ مینجمنٹ اور انسانی وسائل کے ذرائع بروئے عمل لاتے ہیں۔

پیداوار میں بہتری:

کمپنی کی انتظامیہ برآمدی منڈی کے لیے مصنوعات کی بہتری اور بعد ازاں ہمارے اپنے برانڈ کی اعلیٰ بین الاقوامی معیار کی مصنوعات کی تیاری پر توجہ مرکوز کیے ہوئے ہے جسے بین الاقوامی مارکیٹ میں اپنی طلب پیدا کرنا چاہئے۔ مزید برآں کمپنی کی 90 فیصد سے زیادہ پیداوار کو بنیادی اجناس کی اشیاء میں درجہ بندی کیا جاسکتا ہے اور کسی عام جنس کی مناسب مارکیٹ تیار کرنا ایک بہت بڑا کام ہے جس کے لئے انتظامیہ مسلسل کوشش کر رہی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک پر بیان:

1۔ کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات منصفانہ طور پر اس کے معاملات کی حالت، اس کے عوامل کے نتائج، کیش کا بہاؤ اور

مساوات میں تبدیلی کوظاہر کرتے ہیں۔

2۔ متذکرہ کمپنی اکاؤنٹس کی کتابیں مناسب طریقہ سے مرتب کی گئی ہیں۔

3۔ مالیاتی بیانات کی تیاری میں اکاؤنٹنگ کی مخصوص پالیسیوں کو مسلسل لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات معقول اور ٹھوس فیصلوں پر مبنی ہیں۔

4۔ مالیاتی سٹیٹمنٹ کی تیاری میں عالمی مالیاتی 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۔ اندرونی کنٹرول کا نظام ڈیزائن میں محفوظ ہے اور اس کا نفاذ اور نگرانی مؤثر طریقے سے کی گئی ہے، اور

6۔ اس میں کوئی شک نہیں کہ کمپنی میں متعلقہ معاملات کو جاری رکھنے کے لئے ممکنہ صلاحیت موجود ہے۔

7۔ رواں سال کے دوران کمپنی کے عملی نتائج میں مخصوص رخنوں کی تفصیلات چیف ایگزیکٹو آفیسر کے جائزہ میں بیان کی گئی ہیں۔

8۔ پچھلے چھ سال کا تلخیص شدہ بنیادی عملی اور مالیاتی ڈیٹا لف ہے۔

9۔ مالیاتی بیانات میں ظاہر شدہ کے علاوہ ٹیکسز، ڈیوٹیز، لیویز اور چارجز کی مد میں تمام قانونی ادائیگیاں کر دی گئی ہیں۔

10۔ کمپنی کے سات (7) ڈائریکٹرز ہیں جن میں شامل ہیں:

(الف): 5 مرد ڈائریکٹرز

(ب): 2 خواتین ڈائریکٹرز

11۔ سال کے دوران بورڈ کے پانچ (5) اجلاس منعقد ہوئے جن میں ہر ڈائریکٹر کی حاضری درج ذیل ہے:

ڈائریکٹر کا نام (الفبائی ترتیب کے مطابق)	عہدہ	شرکت کردہ اجلاس
مسٹر عابد محمود	چیف ایگزیکٹو آفیسر	5
مسٹر عدنان امجد	غیر فعال ڈائریکٹر	5
مسٹر نوید گلزار	فعال ڈائریکٹر	5
مسماۃ نازش ارشد	غیر فعال ڈائریکٹر	5
مسٹر سلمان رفیع	آزاد ڈائریکٹر	1
مسماۃ شامین اظفر	آزاد ڈائریکٹر	4
مسٹر تیمور امجد	چیئرمین	5

12۔ سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے جن میں حاضری درج ذیل رہی:

ڈائریکٹر کا نام (الفبائی ترتیب کے مطابق)	عہدہ	شرکت کردہ اجلاس
مسٹر عدنان امجد	ممبر	4
مسٹر سلمان رفیع	چیئرمین	1
مسٹر تیمور امجد	ممبر	4

12۔ ایچ آر کمیٹی کے ممبران کی ساخت درج ذیل ہے:

(1): مسماۃ شامین اظفر چیئرمین
(2): مسٹر عدنان امجد ممبر
(3): مسماۃ نازش ارشد ممبر

مالیاتی بیانات:

جیسا کہ مندرج کمپنیوں کے قواعد وضوابط کوڈ آف کارپوریٹ گورننس 2019 کی شق نمبر 25 کے تحت ضرورت تھی چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے اپنے دستخطوں کے ہمراہ مالیاتی بیانات بورڈ آف ڈائریکٹرز کے غور وخوض اور منظوری کے لیے پیش کیے اور بورڈ نے غور وخوض اور منظوری کے بعد دستخط کردہ مالیاتی بیانات کے اجراء اور اشاعت کی اجازت دی۔

14 مارچ 2024 اور 03 جون 2024 کو منعقدہ غیر معمولی جنرل میٹنگز میں شیئر ہولڈرز کی منظوری کے نتیجے میں، نشاط آباد، فیصل آباد میں واقع کمپنی کی اراضی اور عمارتوں اور 46 کلومیٹر لاہور ملتان روڈ، چک نمبر 66، دینا ناتھ، تحصیل پتوکی، ضلع قصور پر واقع مکمل اسپننگ یونٹ کے اثاثوں کو فروخت کرنے کی منظوری دی گئی ہے۔ چونکہ کمپنی کی انتظامیہ اب بھی بھرپور طریقے سے خریداروں کی تلاش میں ہے ان اثاثوں کو غیر موجودہ اثاثوں کے طور پر درجہ بندی کیا گیا ہے جو کہ 30 جون 2024 تک فروخت کے لیے رکھا گیا تھا۔ تاہم، انتظامیہ نے 01 اکتوبر 2024 کو اسپننگ یونٹ کو فارغ کرنے کے لیے اثاثوں کی فروخت اور خریداری کے معاہدے پر دستخط کیے ہیں۔

کمپنی کے مالیاتی بیانات کمپنی کے آڈیٹرز میسرز ریاض احمد اینڈ کو چارٹرڈ اکاؤنٹینٹس کی طرف سے اچھی طرح آڈٹ اور بغیر قابلیت کے منظور کیے گئے ہیں اور ان کی رپورٹ مالیاتی بیانات کے ساتھ لف ہے۔

تخصیصات:

کمپنی کے بورڈ آف ڈائریکٹرز کو لگتا ہے کہ مستقبل کی ترقی اور کمپنی کے بڑھتے ہوئے ورکنگ کیپیٹل کی ضروریات کے لیے منافع کو واپس لینا سمجھداری کی بات ہے اور 30 جون 2024 کو ختم ہونے والے سال کے لیے کسی ڈیویڈنڈ کی سفارش نہیں کرتے۔ کمپنی آنے والے سالوں میں حصص یافتگان کو کافی منافع فراہم کر سکے گی۔

حصص یافتگی کا نمونہ:

کمپنیز ایکٹ 2017 کی دفعہ 227 کے تحت حصص یافتگی کا نمونہ لف ہے۔
سال کے دوران ڈائریکٹران کی طرف سے خریدے گئے حصص کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر/ اہلیہ/ نابالغ بچوں کا نام	خریدے گئے حصص
1	مسماۃ شامین اظفر	2,381

متذکرہ بالا ڈائریکٹرز/ اہلیہ/ نابالغ بچوں کے علاوہ سال کے دوران کسی بھی ڈائریکٹر، اس کی اہلیہ/ نابالغ بچوں، چیف فنانشل آفیسر، کمپنی سیکرٹری اوران کی بیگمات یانابالغ بچوں کی طرف سے حصص کی کوئی خرید وفروخت نہیں ہوئی۔

متعلقہ پارٹیاں:

متعلقہ پارٹیوں کے درمیان لین دین طے شدہ حیثیت کے مطابق قابل موازنہ طریقہ قیمت کے مطابق عمل میں لایا گیا۔ یہ ٹرانزیکشنز آڈٹ کمیٹی کی طرف سے تصدیق اور بورڈ کی طرف سے منظور کی گئی ہیں۔

سرکلرنمبر 10 مورخہ 17 اپریل 2024 کے تحت صنفی تنخواہ کے فرق کا بیان::

کمپنی میں چندخواتین ہیں۔تاہم، 30 جون 2024 کوختم ہونے والے سال کے لیے درج ذیل صنفی تنخواہ کے فرق کا حساب لگایا گیا ہے:

(i) صنفی تنخواہ کا اوسط فرق: 95٪

(ii) صنفی اشتراک کا درمیانی فرق: 63٪

پائیداری کے خطرات اورمواقع سے نمٹنے کے لیے:

بورڈ کمپنی کے پائیداری سے متعلق خطرات اور مواقع کی نگرانی اور جائزہ لینے کے لیےایک سرگرم پائیداری کمیٹی قائم کرنے کے عمل میں ہے۔ کمیٹی تنوع، مساوات اورشمولیت (DE&I) کے طریقوں کویقینی بنانے اور صنفی مرکزی دھارے میں لانے، صنفی مساوات اور کمپنی کے انتظام اورافرادی قوت میں خواتین کی شرکت کی حوصلہ افزائی کرنے کی ذمہ دار ہوگی۔

کارپوریٹ گورننس:

مندرج کمپنیوں کے ہمراہ تکمیل کا بیان قواعدوضوابط کوڈ آف کارپوریٹ گورننس 2019 لف ہے۔

بورڈ کی کمیٹیاں:

بورڈ آف ڈائریکٹرز نے کارپوریٹ گورننس کی تکمیل کے ضابطہ کے ہمراہ محاسب کمیٹی اورانسانی وسائل وتجدید کمیٹی قائم کی ہے۔

ادارہ جاتی سماجی ذمہ داری:

آپ کی کمپنی معاشرے کی طرف سے عائد اپنی ادارہ جاتی ذمہ داری سمجھتی ہے اور معاشرے کے پسماندہ افراد اور اپنے مستحق ملازمین کو مالی امداد فراہم کرنے کے ساتھ ساتھ رفاہِ عامہ کے کام کے ذریعے اپنی ذمہ داری پوری کرتی ہے۔ کمپنی توانائی کی بچت اور ماحولیاتی تحفظ کے لیے مختلف حل لاگو کر کے، اپنے قابل قدر گاہکوں کو بہترین معیار کی مصنوعات اور بعد از فروخت تکنیکی خدمات کی فراہمی کے ذریعے قومی خزانے میں بھی معتد بہ مقدار میں اپنا حصہ ڈال رہی ہے۔

آپ کی کمپنی رفاہِ عامہ کی سرگرمیوں کے طور پر مختلف اداروں کو بھاری رقوم مستقلاً چندہ دے رہی ہے جو قدرتی آفات سے نمٹنے کے لیے قائم کیے گئے ہیں۔ آپ کی کمپنی اپنے ملازمین کو صحت مند، محفوظ اور سیکھنے کا ماحول فراہم کر رہی ہے اور انہیں اندرون و بیرون ملک تربیتی کورسز، سیمینارز، ورکشاپس اور کانفرنسز میں بھیجا جاتا ہے۔

بیرونی محاسب:

موجودہ بیرونی محاسب میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹینٹس سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور اہل ہونے کی صورت میں انہوں نے اپنی رضامندی ظاہر کی ہے۔ محاسب کمیٹی کی تجویز کی بنیاد پر بورڈ نے میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹینٹس کی 30 جون 2025ء کو ختم ہونے والے مالی سال کے لیے بطور بیرونی محاسب دوبارہ تعیناتی کی سفارش کی ہے۔

احوال بعد از تاریخ رپورٹنگ:

رپورٹنگ کی مدت کے بعد ایسا کوئی اہم وقوعہ یا تغیر رونما نہیں ہوا جسے ڈائریکٹر رپورٹ میں ظاہر کرنا ضروری ہو۔

مضبوط مالی بیانات:

مضبوط مالیاتی بیانات ہمراہ متعلقہ معلومات کمپنیز ایکٹ 2017ء کی شق 228 کے تحت لف ہیں۔

پیش بندی:

پاکستان کی معیشت کے مستقبل کے امکانات کو نمایاں غیر یقینی صورتحال کا سامنا ہے، جس کی خصوصیت بلند افراط زر اور بڑے پیمانے پر مینوفیکچرنگ میں کمی ہے۔ کاروبار چلانے کی لاگت اب بھی بہت زیادہ ہے، اور ٹیکسٹائل کی صنعت علاقائی مسابقت کے درمیان بڑھتی ہوئی مشکلات کا سامنا کر رہی ہے۔

عالمی طلب دباؤ میں ہے، جس کے نتیجے میں اختتامی مصنوعات کی طلب کمزور ہو گئی ہے۔ صنعت ان چیلنجز کا سامنا کرتی رہے گی جب تک کہ توانائی اور قرض کے اخراجات سے متعلق مسائل کو حل نہیں کیا جاتا، جو کہ آئی ایم ایف کے ساتھ کیے گئے معاہدوں کی وجہ سے ایک مشکل کام بن گیا ہے۔ روپے کی قدر میں کمی کے باوجود بین الاقوامی مارکیٹ میں مسابقت بدستور چیلنجنگ ہے۔ نتیجتاً، سپننگ کی پیداوار کا ایک بڑا حصہ کم کر دیا گیا ہے، اور 46 کلومیٹر لاہور ملتان روڈ، چک نمبر 66، دینا ناتھ، تحصیل پتوکی، ضلع قصور میں ہمارے ایک یونٹ نے پیداوار بند کر دی ہے اور شیئر ہولڈرز کی منظوری کے نتیجے میں اسے فروخت کے لیے رکھا گیا ہے۔ یہ بنیادی طور پر توانائی کی بلند قیمتوں اور بڑھتی ہوئی مہنگائی کی وجہ سے ہے۔ صارفین کی کم قیمتوں کی مانگ کے جواب میں، ہمیں مسابقتی رہنے کے لیے اپنے عملی اخراجات کو کم کرنے کی کوشش کرنی چاہیے۔ ایک نئی حکومت کے قیام کے ساتھ، ہم امید کرتے ہیں کہ صنعت کے چیلنجز کو حل کیا جائے گا، جس سے ٹیکسٹائل کے شعبے کو اپنی مکمل صلاحیت حاصل کرنے میں مدد ملے گی۔

پاکستان کے ٹیکسٹائل کے شعبے کو کئی چیلنجز کا سامنا ہے، جیسا کہ بلند شرح سود، زرمبادلہ میں عدم یقینی، بڑھتے ہوئے بحری کرائے، بجلی کے بلند ٹیرف، خام مال کی بڑھتی ہوئی قیمتیں اور افراطِ زر کی بڑھتی ہوئی شرح۔ علاوہ ازیں، غیر ملکی زرمبادلہ کی شرح میں غیر متوقع اتار چڑھاؤ نے قیمتوں کی حکمت عملیوں میں عدم یقینی پیدا کر دی ہے۔ آگے دیکھتے ہوئے، مالی سال 2024-25 مزید مشکل ہونے کی توقع ہے کیونکہ مشرق وسطیٰ میں ایرانی میزائل حملوں کے باعث اسرائیل کے ایران پر جوابی حملوں سے جاری بے چینی عالمی معیشت کے لیے مستقل خطرات پیدا کر رہی ہے، جو ممکنہ طور پر دنیا بھر میں اقتصادی سرگرمی میں کمی اور ایندھن کی قیمتوں میں اضافہ کا سبب بن سکتی ہے۔ اقتصادی ماہرین اور ادارے مالی سال 2025 کے لیے عالمی نمو میں کسی بہتری کی پیشگوئی نہیں کر رہے ہیں، جبکہ بین الاقوامی مارکیٹ میں ٹیکسٹائل مصنوعات کے لیے طلب میں کوئی نمایاں بحالی دیکھنے کو نہیں مل رہی۔ آپ کی کمپنی کی انتظامیہ ان چیلنجز سے مؤثر طور پر نمٹ رہا ہے جس میں لاگت کم کرنے، عملی طور پر بہتری، گنجائش بڑھانے اور کارکردگی کو بہتر بنانے پر توجہ مرکوز کی جا رہی ہے تاکہ مالیاتی سال میں بہترین مالی نتائج حاصل کیئے جا سکیں۔

ماتحت کمپنیاں:

کریسکوٹ ملز لمیٹڈ:

کریسکوٹ ملز لمیٹڈ ٹیکسٹائل کے خام مال کی تجارت کے کاروبار میں مصروف ہے۔ سال کے دوران کریسکوٹ ملز لمیٹڈ نے 441.459 ملین روپے کی آمدنی حاصل کی اور بعد از محصولات 0.035 ملین روپے کا منافع کمایا۔

منجانب

بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو آفیسر

ڈائریکٹر

فیصل آباد

02 اکتوبر 2024ء

KEY OPERATING AND FINANCIAL DATA

(RUPEES IN MILLION)

	2024	2023	2022	2021	2020	2019
Summary of Profit and Loss Account						
Sales	4,571	5,922	7,115	5,406	5,517	7,393
Gross profit	477	468	726	726	365	289
Profit from operations	222	297	431	485	156	80
Finance cost	84	110	99	87	104	84
Profit/(Loss) before taxation	138	187	332	398	52	(4)
Taxation	62	72	83	76	10	88
Profit/(Loss) after taxation	76	115	249	322	42	(92)
Loss after taxation from discontinued operations	(26)	-	-	-	-	-
Profit/(Loss) after taxation	50	115	249	322	42	(92)
Summary of Balance Sheet						
Property, plant and equipment	587	5,911	5,312	5,204	5,191	5,151
Other non-current assets	68	63	57	60	65	63
Stock in trade	557	636	658	488	540	475
Trade debts	490	477	514	195	280	200
Other current assets	6,586	1,124	852	744	753	636
Current assets	7,633	2,237	2,024	1,427	1,573	1,311
Total assets	8,288	8,211	7,393	6,691	6,829	6,525
Shareholders equity	1,226	1,176	1,091	887	560	531
Surplus on revaluation of operating fixed assets	4,926	4,926	4,283	4,137	4,137	4,137
Long term financing	20	54	111	204	195	131
Other non-current liabilities	137	98	161	149	127	101
Trade and other payables	1,210	1,173	815	678	645	789
Short trem borrowings	698	561	674	369	841	661
Other current liabilities	71	223	258	267	324	175
Current liabilities	1,979	1,957	1,747	1,314	1,810	1,625
Total equity and liabilities	8,288	8,211	7,393	6,691	6,829	6,525
Summary of Cash Flow Statement						
Cash and cash equivalents at the beginning of the year	50	44	143	42	50	106
Net cash (used in) / generated from operating activities	(106)	226	(233)	548	(121)	(125)
Net cash used in investing activities	(5)	(2)	(64)	(59)	(103)	(25)
Net cash from / (used in) financing activities	81	(218)	198	(388)	216	94
Net increase / (decrease) in cash and cash equivalents	(30)	6	(99)	101	(8)	(56)
Cash and cash equivalents at the end of the year	20	50	44	143	42	50

PERFORMANCE INDICATORS

		2024	2023	2022	2021	2020	2019
Profitability Ratios							
Gross profit ratio	%	8.00	7.33	10.20	13.43	6.62	3.91
Net profit to sales	%	1.27	1.80	3.50	5.96	0.76	(1.24)
Return on equity	%	6.20	9.78	22.82	36.30	7.50	(17.33)
Return on capital employed	%	20.67	28.01	49.73	59.61	7.79	(0.60)
Earning/(loss) per share	Rs.	2.23	5.07	10.99	14.19	1.83	(4.04)
Liquidity Ratios							
Current ratio	Times	3.86	1.14	1.16	1.09	0.87	0.81
Quick ratio	Times	3.58	0.82	0.78	0.71	0.57	0.51
Cash to current liabilities	%	0.01	0.03	0.03	0.11	0.02	0.03
Activity / Turnover Ratios							
Inventory turnover	Times	9	9	11	9	10	17
Number of days in inventory	Days	40	40	33	40	36	22
Debtor turnover	Times	12	13	20	23	23	45
Number of days in receivables	Days	30	28	18	16	16	8
Creditors turnover	Times	5	6	9	7	7	9
Number of days in payables	Days	79	61	43	52	51	39
Total assets turnover	Times	0.72	0.82	1.01	0.80	0.83	1.24
Property, plant and equipment turnover	Times	1.84	1.14	1.35	1.04	1.07	1.59
Investment / Market Ratios							
Basic and diluted earning/(loss) per share	Rs.	2.23	5.07	10.99	14.19	1.83	(4.04)
Price earning ratio	Times	41.30	6.68	4.15	3.86	21.69	(7.02)
Market value per share							
- At the end of year	Rs.	92.10	33.86	45.66	54.75	39.70	28.38
- Highest during the year	Rs.	111.34	35.00	59.17	60.00	42.88	39.64
- Lowest during the year	Rs.	92.10	29.00	30.55	24.94	24.94	23.89
Break up value w/o surplus on revaluation	Rs.	54.10	51.90	48.15	39.14	24.71	23.43
Break up value with surplus on revaluation	Rs.	271.49	269.28	237.16	221.71	207.28	206.00
Capital Structure Ratios							
Financial leverage ratio	Times	0.59	0.52	0.72	0.65	1.85	1.49
Long term debt to equity ratio	%	1.63	4.59	10.17	23.00	34.82	24.67
Interest coverage ratio	Times	2.64	2.70	4.35	5.57	1.50	0.95

Form - 34

The Companies Act, 2017

(Section 277(f))

Pattern Of Shareholding

1. Incorporation Number **0000984**
2. Name of The Company **Crescent Cotton Mills Limited**
3. Pattern of Holding of the Shares held by the Shareholders as at : **June 30, 2024**

Shareholders	From	To	Total Shares
580	1	100	17,244
417	101	500	100,938
144	501	1,000	102,870
152	1,001	5,000	315,562
26	5,001	10,000	182,472
11	10,001	15,000	139,583
5	15,001	20,000	83,678
5	20,001	25,000	116,130
4	25,001	30,000	108,419
1	35,001	40,000	37,352
7	40,001	45,000	296,520
2	45,001	50,000	96,709
3	50,001	55,000	158,605
2	55,001	60,000	118,430
3	60,001	65,000	190,723
1	65,001	70,000	65,420
1	70,001	75,000	71,549
1	75,001	80,000	75,500
2	80,001	85,000	163,959
2	90,001	95,000	179,141
1	95,001	100,000	98,000
3	100,001	105,000	308,934
1	105,001	110,000	106,000
1	110,001	115,000	113,598
1	120,001	125,000	121,480
1	125,001	130,000	128,365
2	135,001	140,000	271,329
1	145,001	150,000	148,226
1	155,001	160,000	157,855
1	160,001	165,000	162,541
1	165,001	170,000	167,866
1	170,001	175,000	173,012
2	175,001	180,000	355,715
2	190,001	195,000	381,600
1	195,001	200,000	200,000
2	205,001	210,000	413,183
2	210,001	215,000	426,255
1	215,001	220,000	216,555
1	230,001	235,000	230,834
1	350,001	355,000	353,224
2	380,001	385,000	765,934
1	390,001	395,000	390,715
1	400,001	405,000	403,107
1	410,001	415,000	413,264
1	435,001	440,000	435,496
1	465,001	470,000	465,819
1	540,001	545,000	543,046
1	570,001	575,000	571,620
1	590,001	595,000	590,744
1	605,001	610,000	606,885
2	640,001	645,000	1,285,083
1	650,001	655,000	654,821
1	670,001	675,000	671,646
1	680,001	685,000	681,462
1	705,001	710,000	708,599
1	1,015,001	1,020,000	1,017,813
1	1,030,001	1,035,000	1,034,499
1	1,060,001	1,065,000	1,061,848
1	1,225,001	1,230,000	1,229,104
1	1,970,001	1,975,000	1,973,245
1418			**22,660,126**

Form - 34 (II)

Sr.#	Categories of Shareholders	Numbers	Shares Held	Percentage
1	Insurance Companies	1	212,000	0.94
2	Joint Stock Companies	20	1,378,443	6.08
3	Individuals	13875	19,465,043	85.90
4	Mutual Fund	2	1,061,974	4.69
5	Others	8	151,118	0.67
6	Financial Institutions	8	385,817	1.70
7	Investment Companies	4	5,731	0.03
	Grand Total	**1,418**	**22,660,126**	**100.00**

PATTERN OF HOLDING OF SHARES

Held by Shareholders as at June 30, 2024

Categories of Shareholder	Total Holding	%Age
1 - Directors, Chief Executive Officer, Their Spouses and Minor Childern		
Chief Executive Officer		
Mr. Abid Mehmood	316,092	1.39
Directors		
Mr. Adnan Amjad	806,599	3.56
Mr. Salman Rafi	80,203	0.35
Mrs. Shameen Azfar	43,075	0.19
Mr. Naveed Gulzar	1,110,842	4.90
Mr. Taimur Amjad	737,066	3.25
Mrs. Nazish Arshad	2,544,865	11.23
Director's Spouses and Their Minor Childern		
Mrs. Marium Naveed	105	0.00
Mst. Shireen Abid	1,582,328	6.98
	7,221,175	**31.87**
2 - Executives		
Executives	4,203,608	18.55
	4,203,608	**18.55**
3 - Associated Companies, Undertakings & Related Parties		
Premier Insurance Limited	212,000	0.94
	212,000	**0.94**
6 - Banks, NBFCs, DFIs, Takaful, Pension Funds		
Banks, NBFCs, DFIs, Takaful, Pension Funds	1,453,522	6.41
	1,453,522	**6.41**
7 - Other Companies		
Other Companies,Corporate Bodies, Trust etc.	1,529,561	6.75
	1,529,561	**6.75**
9 - General Public		
A. Local	8,040,260	35.48
B. Foreign	-	-
	8,040,260	**35.48**
	22,660,126	**100.00**
Shareholders More Than 5.00%		
Miss Nazish Arshad	**2,544,865**	11.23
Mst. Shireen Abid	**1,582,328**	6.98

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019
For the year ended 30 June 2024

Crescent Cotton Mills Limited (the "company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019 (the "Regulations") in the following manner:

1. The total numbers of directors are Seven(7) as per the following.
   a. Male: 5 (Five)
   b. Female: 2 (Two)

2. The composition of the Board is as follows:

Category	**Name**
Independent Directors	Mr. Salman Rafi
	Mrs. Shameen Azfar (female)
Executive Directors	Mr. Naveed Gulzar
	Mr. Abid Mehmood (Chief Executive Officer)
Non-Executive Directors	Mr. Taimur Amjad (Chairman)
	Mr. Adnan Amjad
	Miss Nazish Arshad (female)

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

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. The Board ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;

9. Five of the seven board members have either completed directors' training programme or are exempt due to the criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies;

10. The Board has approved appointment of chief financial officer, 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. Chief financial officer and chief executive officer 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. Salman Rafi	(Chairman)
Mr. Adnan Amjad	(Member)
Mr. Taimur Amjad	(Member)

b) HR and Remuneration Committee

Mrs. Shameen Azfar	(Chairperson)
Mr. Adnan Amjad	(Member)
Miss. Nazish Arshad	(Member)

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: Four meetings during the financial year ended 30 June, 2024.
b) HR and Remuneration Committee: One meeting during the financial year ended 30 June, 2024.

15. The Board has outsourced the internal audit function to RSM Avais Hyde Liaquat Nauman, Chartered Accountants 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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

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 requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with, except for the independent directors for which Board of Directors is of the view that

considering the volume of business, independent directors should not be more than two as required by these Regulations. Hence, the fraction of independent directors has not been rounded up.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr No.	Requirement	Explanation for Non-compliance	Reg. No.
1	**Qualification of Company Secretary:** The same person shall not simultaneously hold office of chief financial officer and the company secretary of a listed company.	The Company is in the process of hiring the suitable individual for the company secretary.	24
2	**Nomination Committee:** The Board may constitute a separate committee, designated as the Nomination Committee (NC) of such number and class of directors, as it may deem appropriate in its circumstances.	Currently the Board has not constituted a separate NC and the functions are being performed by the HR Remuneration and Committee.	29(1)
3	**Risk Management Committee:** The Board may constitute the Risk Management Committee (RMC), of such number and class of directors, as it may deem appropriate in its circumstances, to carry out review of effectiveness of risk management procedures and present a report to the Board.	Currently the Board has not constituted the RMC and the Company's Risk Manager performs the requisite functions and apprises the Board accordingly.	30(1)
4	**Directors' Training for directors:** By June 30, 2022, all the directors on the Board have participated in directors training program.	Directors' Training Program for its remaining two directors has been planned by the Company to arrange in next year.	19(1)(iii)
5	**Directors' Training for Head of Department:** Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training program from July 2022.	Directors' Training Program has been planned by the Company to arrange in next year, for at least one head of department.	19(3)(ii)

For and on behalf of the Board of Directors

CHAIRMAN **CHIEF EXECUTIVE OFFICER**

Faisalabad
October 02, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Crescent Cotton Mills Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Crescent Cotton Mills Limited (the Company) for the year ended 30 June 2024 in accordance with the requirements of regulation 36 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. 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.

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 2024.

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad
October 04, 2024
UDIN: CR202410158oRcNhSfWV

INDEPENDENT AUDITOR'S REPORT
To the members of Crescent Cotton Mills Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Crescent Cotton Mills Limited (the Company), which comprise the statement of financial position as at 30 June 2024, 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 material accounting policy information 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 2024 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. No.	Key audit matters	How the matter were addressed in our audit
1.	**Inventory existence and valuation** As at 30 June 2024, Inventories are stated at Rupees 650.119 million, break up of which is as follows: - Stores, spare parts and loose tools of Rupees 93.536 million - Stock-in-trade of Rupees 556.583 million Inventories are stated at lower of cost and net realizable value. We identified existence and valuation of inventories as a key audit matter due to their size, representing 7.84% of the total assets of the Company as at 30 June 2024, and the judgment involved in valuation. For further information on inventories, refer to the following: - Material accounting policy information, Inventories (Note 2.10 to the financial statements). - Stores, spare parts and loose tools (Note 20) and Stock-in-trade (Note 21) to the financial statements.	Our procedures over existence and valuation of inventories 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. • 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 inquiries from 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.
2.	**Revenue recognition** The Company recognized net revenue of Rupees 5,962.592 million from continuing operations for the year ended 30 June 2024. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicator of the Company and gives rise to an inherent risk that revenue could be subject to	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with

Sr. No.	Key audit matters	How the matter were addressed in our audit
	misstatement to meet expectations or targets. For further information on revenue recognition, refer to the following: - Material accounting policy information, Revenue from contracts with customers (Note 2.13 to the financial statements). - Revenue from contracts with customers (Note 29 to the financial statements).	sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year- end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the financial statements.

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 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 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 are 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.

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

Faisalabad

October 04, 2024
UDIN: AR202410158QKgiwj61O

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

EQUITY AND LIABILITIES	NOTE	2024	2023
SHARE CAPITAL AND RESERVES		(RUPEES IN THOUSAND)	
Authorized share capital			
30 000 000 (2023: 30 000 000) ordinary shares of Rupees 10 each		**300,000**	300,000
Issued, subscribed and paid up share capital	3	**226,601**	226,601
Reserves			
Capital reserves			
Premium on issue of shares reserve	4	**5,496**	5,496
Plant modernization reserve		**12,000**	12,000
Fair value reserve	5	**69,931**	62,957
Surplus on revaluation of freehold land and investment properties	6	**4,926,217**	4,926,217
		5,013,644	5,006,670
Revenue reserves	7		
Total reserves		**912,163**	868,814
		5,925,807	5,875,484
TOTAL EQUITY		**6,152,408**	6,102,085
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	8	**20,044**	54,493
Staff retirement gratuity	9	**137,363**	98,386
		157,407	152,879
CURRENT LIABILITIES			
Trade and other payables	10	**1,210,071**	1,232,226
Unclaimed dividend		**4,177**	4,177
Accrued mark-up	11	**24,391**	18,541
Short term borrowings	12	**698,287**	560,605
Current portion of non-current liabilities	13	**11,373**	60,768
		1,948,299	1,876,317
Non-current liabilities directly associated with assets classified as held for sale	28	**30,474**	-
		1,978,773	1,876,317
TOTAL LIABILITIES		**2,136,180**	2,029,196
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		**8,288,588**	8,131,281

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

CHIEF EXECUTIVE OFFICER

ASSETS	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
NON-CURRENT ASSETS			
Property, plant and equipment	15	**586,635**	5,619,469
Investment properties	16	**-**	292,263
Long term investments	17	**7,369**	8,264
Long term deposits		**3,383**	3,383
Long term advances	18	**-**	124
Deferred income tax asset	19	**57,141**	52,217
		654,528	5,975,720
CURRENT ASSETS			
Stores, spare parts and loose tools	20	**93,536**	72,557
Stock-in-trade	21	**556,583**	636,156
Trade debts	22	**490,311**	477,143
Loans, advances and prepayments	23	**65,335**	54,932
Other receivables	24	**855,546**	569,003
Advance income tax and prepaid levy - net	25	**140,556**	164,763
Short term investments	26	**138,811**	131,369
Cash and bank balances	27	**20,429**	49,638
		2,361,107	2,155,561
Non-current assets held for sale	28	**5,272,953**	-
		7,634,060	2,155,561
TOTAL ASSETS		**8,288,588**	8,131,281

DIRECTOR

CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2024

CONTINUING OPERATIONS:	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
REVENUE FROM CONTRACTS WITH CUSTOMERS	29	**4,570,592**	5,922,209
COST OF SALES	30	**(4,093,638)**	(5,454,058)
GROSS PROFIT		**476,954**	468,151
DISTRIBUTION COST	31	**(62,668)**	(61,301)
ADMINISTRATIVE EXPENSES	32	**(229,777)**	(225,173)
OTHER EXPENSES	33	**(17,649)**	(13,877)
OTHER INCOME	34	**55,436**	128,951
FINANCE COST	35	**(83,688)**	(109,798)
PROFIT BEFORE TAXATION AND LEVY		**138,608**	186,953
LEVY	25.1	**(50,860)**	(71,596)
PROFIT BEFORE TAXATION		**87,748**	115,357
TAXATION	36	**(11,106)**	(572)
PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS		**76,642**	114,785
DISCONTINUED OPERATION			
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION	28	**(25,963)**	-
PROFIT AFTER TAXATION		**50,679**	114,785
EARNINGS PER SHARE - BASIC AND DILUTED FROM CONTINUING OPERATIONS (RUPEES)	37	**3.38**	5.07
LOSS PER SHARE - BASIC AND DILUTED FROM DISCONTINUED OPERATION (RUPEES)	37	**(1.15)**	-

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	(RUPEES IN THOUSAND)	
PROFIT AFTER TAXATION	**50,679**	114,785
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that will not be reclassified subsequently to profit or loss:		
Experience adjustment on staff retirement gratuity	**(23,344)**	14,809
Deferred income tax related to experience adjustment	**6,770**	(3,628)
	(16,574)	11,181
Surplus on revaluation of freehold land	**-**	642,909
Fair value adjustment arising on remeasurement of investments at fair value through other comprehensive income	**16,218**	(26,005)
Deferred income tax relating to investments at fair value through other comprehensive income	**-**	2,224
	16,218	(23,781)
	(356)	630,309
Items that may be reclassified subsequently to profit or loss	**-**	-
Other comprehensive (loss) / income for the year - net of tax	**(356)**	630,309
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**50,323**	745,094

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	SHARE CAPITAL	RESERVES										TOTAL EQUITY
		CAPITAL RESERVES					REVENUE RESERVES			Total Reserves		
		Premium on issues of shares	Plant modernization	Fair value reserve of investments at FVTOCI	Surplus on revaluation of freehold land and investment properties	Sub total	General reserve	Unappropriated profit	Sub total			
	(RUPEES IN THOUSAND)											
Balance as at 30 June 2022	226,601	5,496	12,000	86,738	4,283,308	4,387,542	100,988	658,855	759,843	5,147,385		5,373,986
Transaction with owners - Final dividend for the year ended 30 June 2022 at the rate of Rupee 0.75 per share	-	-	-	-	-	-	-	(16,995)	(16,995)	(16,995)		(16,995)
Profit for the year	-	-	-	-	-	-	-	114,785	114,785	114,785		114,785
Other comprehensive income for the year	-	-	-	(23,781)	642,909	619,128	-	11,181	11,181	630,309		630,309
Total comprehensive income for the year	-	-	-	(23,781)	642,909	619,128	-	125,966	125,966	745,094		745,094
Balance as at 30 June 2023	226,601	5,496	12,000	62,957	4,926,217	5,006,670	100,988	767,826	868,814	5,875,484		6,102,085
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	(9,244)	-	(9,244)	-	9,244	9,244	-		-
Profit for the year	-	-	-	-	-	-	-	50,679	50,679	50,679		50,679
Other comprehensive loss for the year	-	-	-	16,218	-	16,218	-	(16,574)	(16,574)	(356)		(356)
Total comprehensive income for the year	-	-	-	16,218	-	16,218	-	34,105	34,105	50,323		50,323
Balance as at 30 June 2024	226,601	5,496	12,000	69,931	4,926,217	5,013,644	100,988	811,175	912,163	5,925,807		6,152,408

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CCML
Crescent Cotton Mills Ltd.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	38	**95,191**	552,502
Finance cost paid		**(121,432)**	(111,253)
Income tax and levy paid		**(56,509)**	(124,551)
Staff retirement gratuity paid	9.1	**(22,682)**	(90,996)
Net decrease in long term advances		**124**	32
Net cash (used in) / generated from operating activities		**(105,308)**	225,734
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment	15	**(23,057)**	(4,148)
Proceeds from sale of property, plant and equipment		**8,300**	2,359
Proceeds from sale of investments		**9,671**	-
Net cash used in investing activities		**(5,086)**	(1,789)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		**(56,497)**	(87,708)
Short term borrowings - net		**137,682**	(113,448)
Dividend paid		**-**	(16,788)
Net cash from / (used in) financing activities		**81,185**	(217,944)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(29,209)**	6,001
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**49,638**	43,637
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	27	**20,429**	49,638

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. THE COMPANY AND ITS OPERATIONS

Crescent Cotton Mills Limited (the Company) is a public limited company incorporated in March 1959 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited on 30 November 1965. The Company is engaged in the business of manufacturing and sale of yarn, home textile and hosiery items along with buying, selling and otherwise dealing in cloth and made-ups. The Company's registered office is situated at New Lahore Road, Nishatabad, Faisalabad, Punjab. The Company was previously operating a Spinning Unit situated at 45-Km Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur, Punjab. However, due to continuous difficulties in operations, following the approval in Extra Ordinary General Meeting (EOGM) dated 03 June 2024, it was decided to discontinue its operations and has approved to dispose of property, plant and equipment of the unit. Moreover the freehold land and buildings situated at New Lahore Road, Nishatabad, Faisalabad, Punjab has also been approved as held for sale following the approval of the members of the Company in EOGM held on 13 March 2024.

1.1 Geographical location and addresses of all business units of the Company except for the registered office as mentioned above are as follows:

Manufacturing Units & Offices	Address
Spinning Unit No. 1 and 2, Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab
Liasion Unit	408-Business Avenue, Shahrah-e-Faisal, Karachi, Sindh
Liasion Unit	3rd Floor, 151, CCA, Commercial Area, DHA, Phase-5, Lahore

1.2 These financial statements are the separate financial statements of the Company. Consolidated financial statements are prepared separately. Detail of the Company’s investment in subsidiary is stated in Note 17 to these financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, except for the change in accounting policy of taxation and levy made in accordance with "Application Guidance on Accounting for Minimum Taxes" issued by The Institute of Chartered Accountants of Pakistan through circular 7/2024. The change has been explained in Note 2.5 to these financial statements.

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) Accounting convention

These financial statements have been prepared under the historical cost convention except otherwise specified in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting and reporting standards as applicable in Pakistan, 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 impairment

The estimates for revalued amounts of different classes of property, plant and equipment and investment properties are based on valuation performed by external professional valuer and recommendation of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. 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. Any change in the estimates in future might affect the carrying amounts of the respective items of property, plant and equipment and investment properties with a corresponding effect on the depreciation charge and impairment, wherever applicable.

Inventories

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

Income tax and levy

In making the estimates for income tax and levy 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. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Recovery of deferred income tax assets

Deferred income tax assets are recognized for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies
The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on the Company's experience of actual credit loss in past years.

Revenue from contracts with customers involving sale of goods
When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Staff retirement gratuity
The actuarial valuation of staff retirement gratuity requires the use of certain assumptions related to future periods, including increase in future salary and the rate used to discount future cash flows to present value.

Classification of investments
The management of the Company determines the appropriate classification at the time of purchase or increase in holding and classifies its investments in accordance with IFRS 9 'Financial instruments'

d) 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 2023:
• Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement' - Disclosure of Accounting Policies;
• Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
• Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Change in definition of 'Accounting Estimate'; and
• Amendments to IAS 12 'Income Taxes' - International Tax Reform - Pillar Two Model Rules.
The above-mentioned amendments and improvements to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

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

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2023 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.

f) Standard and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standard and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2024 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 01 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 01 January 2024.

On 25 May 2023, the IASB issued 'Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangement. The amendments are effective for reporting period beginning on or after 01 January 2024.

Classification and Measurements of Financial Instruments (Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments') effective for annual periods beginning on or after 01 January 2026. These amendments address matters identified during the past - implementation review of the classification and measurement requirements of IFRS 9.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above standard and amendments are likely to have no significant impact on the financial statements.

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

There are other standards and amendments to published approved standards that are mandatory for accounting periods beginning on or after 01 July 2024 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 Functional and presentation currency along with foreign currency transactions and translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures are rounded off to the nearest thousand of Pak Rupees. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss.

2.3 Staff retirement gratuity

The Company operates defined benefit plan - unfunded gratuity scheme for its permanent employees, who have completed the minimum qualifying period of service as defined under the scheme, calculated from the date of their joining with the Company. The liabilities relating to defined benefit plan are determined through actuarial valuation using the Projected Unit Credit Actuarial Cost Method. Latest actuarial valuation has been carried on 30 June 2024 by an independent actuary. The method involves making assumptions about discount rates, future salary increases and mortality rates. Significant assumptions used to carry out the actuarial valuation have been disclosed in Note 9.4 to these financial statements. The obligation at the date of statement of financial position is measured at the present value of the estimated future cash outflows. All contributions are charged to the statement of profit and loss for the year.

Actuarial gains and losses (remeasurement gains / losses) on staff retirement gratuity are recognized immediately in other comprehensive income.

2.4 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.

2.5 Taxation

Change in accounting policy
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. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in statement of profit or loss. This change in accounting policy has been applied retrospectively in accordance with the provisions of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and resulted in following reclassification of corresponding figures:

Reclassified from	Reclassified to	RUPEES IN THOUSAND
Statement of profit or loss:		
Taxation	Levy	71,596
Statement of financial position:		
Advance income tax	Prepaid levy	8,381
Provision for taxation	Levy payable	71,596

Had there been no change in the above referred accounting policy, amount of Rupees 72.869 million of levy, Rupees 73.215 million of levy payable and Rupees 10.909 million of prepaid levy would have been presented as taxation expense, provision for taxation and advance income tax respectively in these financial statements. Further, this change in accounting policy has no impact on earnings per share of the Company.

Deferred
Deferred tax is recognized for using the liability method on 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.

2.6 Property, plant, equipment and depreciation

Operating fixed assets

Operating 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. Capital work-in-progress is stated at cost less identified impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and other directly attributable costs of bringing the assets to working condition.

Increases in the carrying amounts arising on revaluation of freehold land are recognized 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.

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

b) Depreciation

Depreciation on property, plant and equipment is charged to statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 15. The Company charges the depreciation on additions from the date when the asset is available for use and on deletions upto the date when the asset is de-recognized. 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 represented by the difference between the sale proceeds and the carrying amount of the asset is included in the statement of profit or loss.

2.7 Investment properties

Land and buildings held to earn rental income are classified as investment properties. Investment properties are carried at fair value which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The valuation of the properties is carried out with sufficient regularity.

Gain or loss arising from a change in the fair value of investment properties is recognized in the statement of profit or loss for the year in which it arises.

2.8 Financial Instruments

i) Classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value through other comprehensive income; and
• those to be measured at amortized cost
The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following measurement category:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Company classifies its equity instruments into following measurement category:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified as measured at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expenses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also included in the statement of profit or loss.

ii) Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

iii) De-recognition of financial assets and financial liabilities

a) Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expired.

iv) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements only when there is a 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.

2.9 Investment in subsidiary company

Investment in subsidiary company is stated at cost less accumulated impairment loss, in accordance with the provisions of IAS 27 'Separate Financial Statements'.

2.10 Inventories

Inventories, except for stock in transit and waste stock, are stated at lower of cost and net realizable value. 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 valued at invoice amount plus other charges paid thereon.

Stock-in-trade

Cost of raw materials, work-in-process and finished goods is determined as follows:

(i)	For raw materials	Weighted average basis
(ii)	For work-in-process and finished goods	Average material cost, proportionate direct labour and factory overheads

Stock in transit is valued at cost comprising invoice value plus other charges paid thereon. Waste stock is valued at 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.

2.11 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.

2.12 Non-current assets held for sale

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

2.13 Revenue recognition

I) Revenue from contracts with customers

(a) Sale of goods
Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

(b) Rendering of services
The Company provides textile related services to local customers. These services are sold separately and the Company's contract with the customers for services constitute a single performance obligation. Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Company's contracts with customers.

ii) Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

iv) Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

v) Other income recognition

(a) Rent
Rent revenue from investment properties is recognized on a straight line basis over the lease term. Contingent rentals are recognized as income in the period when earned.

(b) Dividend
Dividend on equity investments is recognized when right to receive the dividend is established.

(c) Other revenue
Other revenue is recognized when it is received or when the right to receive payment is established.

2.14 Borrowings

Financing and borrowings are recognized initially at fair value of the consideration received, net of transaction costs 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. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.15 Trade debts and other receivables

Trade debts are initially stated at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.16 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.

2.17 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost. These are subsequently measured at amortized cost using the effective interest method.

2.18 Borrowing cost

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset.

2.19 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.20 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.21 Earnings per share

The Company presents Earnings Per Share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

2.22 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.23 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation which arises from past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024	2023		2024	2023
(NUMBER OF SHARES)			(RUPEES IN THOUSAND)	
5 509 767	5 509 767	Ordinary shares of Rupees 10 each fully paid up in cash	**55,098**	55,098
16 992 345	16 992 345	Ordinary shares of Rupees 10 each issued as fully paid up bonus shares	**169,923**	169,923
158 014	158 014	Ordinary shares of Rupees 10 each fully paid up, issued to a financial institution against its right of option for conversion of debentures pursuant to a loan agreement	**1,580**	1,580
22 660 126	22 660 126		**226,601**	226,601

3.1 Ordinary shares of the Company held by the associated company:

	2024	2023
	(NUMBER OF SHARES)	
Premier Insurance Limited	**212 000**	212 000

4. PREMIUM ON ISSUE OF SHARES RESERVE

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

5. FAIR VALUE RESERVE

This represents the unrealized gain on remeasurement of investments at fair value through other comprehensive income and is not available for distribution. Reconciliation of fair value reserve - net of deferred income tax is as under:

	2024	2023
	(RUPEES IN THOUSAND)	
Balance as on 01 July	**62,957**	86,738
Add: Deferred income tax relating to equity investments	**-**	2,224
	62,957	88,962
Less:		
Fair value adjustment during the year	**(16,218)**	26,005
Gain realized on disposal of equity investments	**9,244**	-
	(6,974)	26,005
Balance as on 30 June	**69,931**	62,957

6. SURPLUS ON REVALUATION OF FREEHOLD LAND AND INVESTMENT PROPERTIES

	2024	2023
Freehold land (Note 6.1)	**4,813,078**	4,813,078
Investment properties	**113,139**	113,139
	4,926,217	4,926,217

6.1 Surplus on revaluation of freehold land

	2024	2023
Balance as on 01 July	**4,813,078**	4,170,169
Surplus on revaluation of freehold land	**-**	642,909
Balance as on 30 June	**4,813,078**	4,813,078

6.1.1 This represents surplus resulting from revaluation of freehold land carried out on 19 June 2023 by independent valuer Messrs Evaluation Focused Consulting. The valuation was determined with respect to the present market value of similar properties. Previously revaluation was carried out in June 2022, June 2019, June 2016, June 2015 and March 2010 by independent valuers.

7. REVENUE RESERVE

	2024	2023
General reserve	**100,988**	100,988
Unappropriated profit	**811,175**	767,826
	912,163	868,814

8. LONG TERM FINANCING

	2024	2023
From banking company - secured		
Long term loans (Note 8.1)	**31,417**	115,261
Less: Current portion shown under current liabilities (Note 13)	**11,373**	60,768
	20,044	54,493

8.1 Long Term Loans

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST PAYABLE	INTEREST REPRICING	SECURITY
	(RUPEES IN THOUSAND)						
National Bank of Pakistan	-	31,450	3 Month KIBOR+3%	This facility was fully repaid on 01 February 2024.	Quarterly	Quarterly	First charge of Rupees 280 million over the fixed assets of the Company at 45 Km, Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur and personal guarantee of Chief Executive Officer, Director and Executive of the Company.
National Bank of Pakistan	31,417	42,790	6%	These are different loans repayable in twenty seven to twenty eight equal quarterly installments starting from 30 June 2020 and ending on 21 April 2027	Quarterly	-	First charge of Rupees 107 million over entire fixed assets of the Company at Spinning Unit No. 1 and 2 and personal guarantee of Chief Executive Officer, Director and Executive of the Company.
National Bank of Pakistan (8.1.1)	-	41,021	3 Month KIBOR+2.5%	Nineteen equal quarterly installments starting from 30 September 2021 and ending on 30 March 2026	Quarterly	Quarterly	First specific / exclusive charge for Rupees 87 million over plant and machinery i.e. solar panel system of the Company installed at Unit No. 4 located at 45 Km, Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur and personal guarantee of Chief Executive Officer, Director and Executive of the Company.
	31,417	115,261					

8.1.1 This loan is directly associated with the non-current assets classified as held for sale. Therefore it is transferred to non-current liabilities directly associated with non-current assets held for sale shown under Note 28.

9. STAFF RETIREMENT GRATUITY

The latest actuarial valuation of the staff retirement gratuity was conducted on 30 June 2024 using Projected Unit Credit Actuarial Cost Method.

9.1 Reconciliation of the movements in the net liability recognized in the statement of financial position

	2024	2023
	(RUPEES IN THOUSAND)	
Opening balance	**98,386**	160,669
Add:		
Provision for the year (Note 9.3)	**41,442**	52,032
Experience adjustment recognized in other comprehensive income	**23,344**	(14,809)
	163,172	197,892
Less:		
Paid during the year	**(22,682)**	(90,996)
Liability transferred to current liability	**-**	(8,510)
Liability classified as non-current liability directly associated with assets held for sale (Note 28)	**(3,127)**	-
	(25,809)	(99,506)
Closing balance	**137,363**	98,386

9.2 Movements in the present value of staff retirement gratuity

	2024	2023
Opening balance	**98,386**	160,669
Current service cost	**25,914**	36,772
Interest expense	**15,528**	15,260
Payments made during the year	**(22,682)**	(90,996)
Experience adjustment recognized in other comprehensive income	**23,344**	(14,809)
Benefits due but not yet paid	**-**	(8,510)
Liability classified as non-current liability directly associated with assets held for sale	**(3,127)**	-
Closing balance	**137,363**	98,386

9.3 Provision for the year

	2024	2023
Current service cost	**25,914**	36,772
Interest expense	**15,528**	15,260
	41,442	52,032

9.4 Significant actuarial assumptions used

	2024	2023
Discount rate to determine defined benefit cost (per annum)	**16.25%**	13.25%
Expected rate of increase in salary to determine defined benefit cost (per annum)	**15.25%**	12.25%
Discount rate to determine defined benefit obligation (per annum)	**14.75%**	16.25%
Expected rate of increase in salary to determine defined benefit obligation (per annum)	**13.75%**	15.25%
Average duration of the benefit (years)	**6**	7
Mortality rates	**SLIC 2001-05 set back 1 year**	SLIC 2001-05 set back 1 year
Withdrawal rate	**Age based**	Age based
Retirement assumption	**Age 60**	Age 60

9.5 The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 June 2025 are Rupees 45.376 million.

9.6 Sensitivity analysis for actuarial assumptions:

The sensitivity of the staff retirement gratuity as at reporting date to changes in the weighted principal assumption is:

	2024	2023
Discount rate	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**(7,405)**	(7,001)
Decrease in assumption (Rupees in thousand)	**9,165**	8,569
Future salary increase	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**9,321**	8,682
Decrease in assumption (Rupees in thousand)	**(7,716)**	(7,249)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year except for certain changes as given in Note 9.4.

9.7 Risks associated with defined benefit plan

Discount rate risk
The risk of changes in discount rate will have an impact on the actuarial liability. Any increase in discount rate will reduce the liability and vice versa.

Salary increase / inflation risk
The increase in salary in future years being higher than assumed will increase the liability.

Mortality risk
Any increase in the mortality rates being assumed will increase the liability.

Withdrawal risk
Any difference in the assumed withdrawal rates will have a corresponding impact on the liability depending on the benefits payable on withdrawal.

10. TRADE AND OTHER PAYABLES

	2024	2023
	(RUPEES IN THOUSAND)	
Creditors (Note 10.1)	**447,681**	301,914
Gas Infrastructure Development Cess (GIDC) payable (Note 10.2)	**59,017**	59,017
Accrued and other liabilities (Note 10.3 and 10.4)	**406,651**	487,180
Contract liabilities - unsecured	**238,887**	308,699
Income tax deducted at source	**14,054**	11,592
Sales tax payable	**19,922**	43,102
Workers' profit participation fund (Note 10.5)	**6,868**	6,613
Workers' welfare fund (Note 10.6)	**16,991**	14,109
	1,210,071	1,232,226

10.1 These include Rupees 4.050 million (2023: Rupees 0.096 million) due to Crescot Mills Limited, the subsidiary company.

10.2 This represents Gas Infrastructure Development Cess (GIDC) which was levied through GIDC Act, 2015. On 13 August 2020, Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Company along with other industrial gas consumers has obtained interim relief from Lahore High Court, Lahore against the charge of GIDC at the rate of captive power consumer instead of industrial consumer.

10.2.1 This represents Gas Infrastructure Development Cess (GIDC) which was levied through GIDC Act, 2015. On 13 August 2020, Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Company along with other industrial gas consumers has obtained interim relief from Lahore High Court, Lahore against the charge of GIDC at the rate of captive power consumer instead of industrial consumer.

10.3 These include amounts due to following related parties:

	2024	2023
	(RUPEES IN THOUSAND)	
Crescot Mills Limited - subsidiary company	**925**	1,089
Premier Insurance Limited - associated company	**2,720**	1,930
Riaz and Company (1962, Private) Limited - associated company	**-**	67
	3,645	3,086

10.4 These include staff retirement gratuity payable due but not paid to employees amounting to Rupees 8.510 million (2023: Rupees 8.510 million).

10.5 Workers' profit participation fund

	2024	2023
Balance as on 01 July	**6,613**	17,656
Add:		
Provision for the year (Note 33)	**6,866**	6,613
Interest for the year	**694**	1,175
	14,173	25,444
Less: Payments during the year	**7,305**	18,831
Balance as on 30 June	**6,868**	6,613

		2024	2023
		(RUPEES IN THOUSAND)	
10.6	**Workers' welfare fund**		
	Balance as on 01 July	**14,109**	12,005
	Add: Provision for the year (Note 33)	**2,882**	3,815
		16,991	15,820
	Less: Payment during the year	**-**	1,711
	Balance as on 30 June	**16,991**	14,109
11.	**ACCRUED MARK-UP**		
	Long term financing	**2,369**	5,470
	Short term borrowings	**22,022**	13,071
		24,391	18,541
12.	**SHORT TERM BORROWINGS**		
	From banking company - secured		
	Cash finances (Note 12.1)	**387,889**	259,788
	Others - unsecured		
	Other related parties (Note 12.3)	**310,398**	300,817
		698,287	560,605

12.1 These form part of total credit facility of Rupees 950 million (2023: Rupees 1,050 million) and carries mark-up at the rates of 1 month KIBOR plus 2.5 percent (2023: 1 month KIBOR plus 2.5 percent) per annum. These are secured against charge, pledge and hypothecation over fixed and current assets of the Company and personal guarantee of Chief Executive Officer, Director and certain executives. The rate of mark-up ranges from 24.02 percent to 25.27 percent (2023: 17.16 percent to 24.50 percent) per annum during the year on the balances outstanding.

12.2 The main facilities of letters of credits and guarantees aggregate to Rupees 350 million (2023: Rupees 350 million). The amounts utilized at 30 June 2024 were Rupees 243.397 million (2023: Rupees 62.864 million). Securities of these facilities are the same as mentioned in Note 12.1.

12.3 These represent interest free loans obtained from Chief Executive Officer, directors and certain executives of the Company to meet the Company's working capital requirements. These are repayable on demand.

		2024	2023
13.	**CURRENT PORTION OF NON-CURRENT LIABILITIES**		
	Current portion of long term financing (Note 8)	**11,373**	60,768

14. CONTINGENCIES AND COMMITMENTS

a) Contingencies

i) Certain additions have been made by the assessing officers in tax years 2006 and 2010 on various grounds and have created demand of Rupees 3.700 million (2023: Rupees 3.700 million). The Company, being aggrieved, has filed appeals with Lahore High Court, Lahore, which are still pending. Dates of the institution of above mentioned appeals were 05 September 2016 and 29 November 2014 respectively. No provision has been made in these financial statements against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

ii) Crescent Fibres Limited (CFL) filed civil petition for the recovery of Rupees 23.000 million (2023: Rupees 23.000 million) along with mark-up in Lahore High Court, Lahore, after rejection of its application in Civil Court, Lahore. Lahore High Court, Lahore stayed the proceedings before Civil Court, Lahore on the same date. No provision against this receivable has been made in these financial statements as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

iii) The Company has filed a suit in Lahore High Court, Lahore dated 15 October 2018 against the levy of cotton cess. However the related provision of Rupees 1.696 million (2023: Rupees 1.696 million) is not accounted for in these financial statements as the management is hopeful that the case will be decided in the favour of the Company.

iv) Cheques of Rupees 32.485 million (2023: Rupees 32.485 million) are issued to Nazir of The High Court of Sindh, Karachi as security against impugned gas rate difference suit, related to Spinning Unit No. 3 of the Company which was sold during the financial year ended 30 June 2021. The last hearing was made on 30 May 2024 but the verdict is reserved for judgement by the Court. If the outcome of the suit comes against the Company, cheques issued as security shall be encashable.

v) Guarantees of Rupees 94.433 million (2023: Rupees 62.864 million) are given by the banks of the Company to SNGPL and Lahore Electric Supply Company Limited against gas and electricity connections respectively.

b) Commitments

i) There was no commitment for capital expenditure as at 30 June 2024 (2023: Rupees Nil).

ii) Letters of credit other than for capital expenditure are of Rupees 148.964 million (2023: Rupees Nil).

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings and Roads	Plant and machinery	Stand-by equipment	Electric installations	Tools and equipment	Furniture & fixtures	Vehicles	Office equipment	Service equipment	Total
	----------	----------	----------	----------	----------	(RUPEES IN THOUSAND)	----------	----------	----------	----------	----------
At 30 June 2022											
Cost / revalued amount	4,263,378	256,084	1,053,499	252,491	66,319	19,658	14,966	19,165	13,215	1,105	5,959,880
Accumulated depreciation	-	(157,902)	(564,074)	(100,129)	(35,476)	(14,180)	(10,148)	(12,255)	(12,896)	(1,067)	(908,127)
Net book value	4,263,378	98,182	489,425	152,362	30,843	5,478	4,818	6,910	319	38	5,051,753
Year ended 30 June 2023											
Opening net book value	4,263,378	98,182	489,425	152,362	30,843	5,478	4,818	6,910	319	38	5,051,753
Revaluation surplus	642,909	-	-	-	-	-	-	-	-	-	642,909
Additions / transfer	-	-	-	-	-	-	-	4,789	-	-	4,789
Disposals:											
Cost	-	-	(15,882)	-	-	-	-	(1,564)	-	-	(17,446)
Accumulated depreciation	-	-	15,679	-	-	-	-	1,430	-	-	17,109
	-	-	(203)	-	-	-	-	(134)	-	-	(337)
Depreciation charge for the year	-	(9,588)	(49,049)	(15,236)	(3,084)	(549)	(482)	(1,486)	(160)	(11)	(79,645)
Closing net book value	4,906,287	88,594	440,173	137,126	27,759	4,929	4,336	10,079	159	27	5,619,469
At 30 June 2023											
Cost / revalued amount	4,906,287	256,084	1,037,617	252,491	66,319	19,658	14,966	22,390	13,215	1,105	6,590,132
Accumulated depreciation	-	(167,490)	(597,444)	(115,365)	(38,560)	(14,729)	(10,630)	(12,311)	(13,056)	(1,078)	(970,663)
Net book value	4,906,287	88,594	440,173	137,126	27,759	4,929	4,336	10,079	159	27	5,619,469
Year ended 30 June 2024											
Opening net book value	4,906,287	88,594	440,173	137,126	27,759	4,929	4,336	10,079	159	27	5,619,469
Additions	-	-	-	22,897	-	-	-	160	-	-	23,057
Classified as non-current assets held for sale:											
Cost / revalued amount	(4,619,927)	(157,784)	(400,194)	(68,940)	(36,899)	(6,457)	(1,420)	(3,111)	(1,836)	(47)	(5,296,615)
Accumulated depreciation	-	84,758	188,705	17,330	18,144	2,890	677	1,562	1,814	45	315,925
	(4,619,927)	(73,026)	(211,489)	(51,610)	(18,755)	(3,567)	(743)	(1,549)	(22)	(2)	(4,980,690)
Disposal:											
Cost		-	-	(30,321)	-	-	-	-	-	-	(30,321)
Accumulated depreciation		-	-	25,312	-	-	-	-	-	-	25,312
	-	-	-	(5,009)	-	-	-	-	-	-	(5,009)
Depreciation charge for the year	-	(8,016)	(42,326)	(14,261)	(2,618)	(464)	(427)	(1,995)	(78)	(7)	(70,192)
Closing net book value	286,360	7,552	186,358	89,143	6,386	898	3,166	6,695	59	18	586,635
At 30 June 2024											
Cost / revalued amount	286,360	98,300	637,423	176,127	29,420	13,201	13,546	19,439	11,379	1,058	1,286,253
Accumulated depreciation	-	(90,748)	(451,065)	(86,984)	(23,034)	(12,303)	(10,380)	(12,744)	(11,320)	(1,040)	(699,618)
Net book value	286,360	7,552	186,358	89,143	6,386	898	3,166	6,695	59	18	586,635
Depreciation rate per annum (%)	-	5, 10	10, 15	10	10	10, 12	10	20	50	10, 25, 50	

15.1 The book value of freehold land on cost basis is Rupees 3.972 million (2023: Rupees 93.209 million).

15.2 Forced sale value of freehold land as per last revaluation was Rupees 243.406 million.

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

	2024	2023
	(RUPEES IN THOUSAND)	
Cost of sales (Note 30)	**31,274**	77,517
Administrative expenses (Note 32)	**2,055**	2,128
Discontinued operations	**36,863**	-
	70,192	79,645

15.4 Particulars of immovable properties in the name of the Company are as follows:

Particulars	Location	Area of land	Covered Area of
		Acers	Sq. Ft.
Manufacturing facility of Spinning and Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab	44.74	381 863

15.5 Detail of operating fixed asset disposed of during the year is as follows:

Description	Quantity	Cost	Accumulated depreciation	Net book value	Sales	Gain	Mode	Particulars of buyer
		(RUPEES IN THOUSAND)						
Stand-by equipment								
Power House Generator	1	30,321	25,312	5,009	8,300	3,291	Negotiation	Universal Trade Link, Faisalabad

16. INVESTMENT PROPERTIES

	2024	2023
Balance as on 01 July	**292,263**	260,018
Add: Fair value gain during the year	**-**	32,245
Less: Classified as non-current assets held for sale (Note 28)	**(292,263)**	-
Balance as on 30 June	**-**	292,263

		2024	2023
		(RUPEES IN THOUSAND)	
17	**LONG TERM INVESTMENTS**		
	Subsidiary company - unquoted		
	Crescot Mills Limited		
	1 932 187 (2023: 1 932 187) ordinary shares of Rupees 10 each fully paid. Equity held 66.15% (2023: 66.15%)	**-**	-
	At fair value through other comprehensive income		
	Associated companies - quoted		
	Premier Insurance Limited		
	303 384 (2023: 303 384) ordinary shares of Rupees 10 each fully paid. Equity held 0.60% (2023: 0.60%)	**75**	75
	Jubilee Spinning and Weaving Mills Limited		
	Nil (2023: 474 323) ordinary shares of Rupees 10 each fully paid. Equity held Nil (2023: 1.46%)	**-**	427
	Others		
	Quoted		
	Crescent Jute Products Limited		
	201 933 (2023: 201 933) ordinary shares of Rupees 10 each fully paid. Equity held 0.85% (2023: 0.85%)	**-**	-
	Crescent Fibres Limited		
	71 820 (2023: 71 820) ordinary shares of Rupees 10 each fully paid. Equity held 0.58% (2023: 0.58%)	**615**	615
	Security Papers Limited		
	522 (2023: 522) ordinary shares of Rupees 10 each fully paid.	**1**	1

Unquoted	2024	2023
	(RUPEES IN THOUSAND)	
Premier Financial Services (Private) Limited		
2 500 (2023: 2 500) ordinary shares of Rupees 1,000 each fully paid. Equity held 11.11% (2023: 11.11%)	**2,500**	2,500
Crescent Modaraba Management Company Limited		
119 480 (2023: 119 480) ordinary shares of Rupees 10 each fully paid. Equity held 6.52% (2023: 6.52%)	**284**	284
Crescent Bahuman Limited		
1 043 988 (2023: 1 043 988) ordinary shares of Rupees 10 each fully paid. Equity held 0.77% (2023: 0.77%)	**-**	-
Crescent Spinning Mills Limited		
696 000 (2023: 696 000) ordinary shares of Rupees 10 each fully paid. Equity held 4.59% (2023: 4.59%)	**-**	-
	3,475	3,902
Add: Fair value adjustment	**3,894**	4,362
	7,369	8,264

18 LONG TERM ADVANCES

Considered good:	2024	2023
Employees	**124**	430
Less: Current portion shown under current assets (Note 23)	**124**	306
	-	124

18.1 These represent interest free loans given to employees other than executives for meeting their personal expenditure and are secured against balances to the credit of employees in the retirement benefit. These are recoverable in equal monthly installments.

	2024	2023
	(RUPEES IN THOUSAND)	

19. DEFERRED INCOME TAX ASSET

	2024	2023
Taxable temporary difference		
Accelerated tax depreciation	**(104,042)**	(89,946)
Deductible temporary differences		
Unused tax losses and minimum tax	**114,860**	96,781
Provision for GIDC	**-**	14,957
Staff retirement gratuity	**40,742**	24,103
Provision for doubtful receivables	**5,581**	6,322
	161,183	142,163
	57,141	52,217

19.1 Movement in deferred income tax asset balance is as follows:

	2024	2023
Opening balance	**52,217**	44,667
(Less) / add :		
- accelerated tax depreciation	**(14,096)**	14,595
- staff retirement gratuity	**16,639**	(20,165)
- provision for GIDC	**(14,957)**	(2,111)
- deferred income - Government grant	**-**	(82)
- provision for doubtful receivables	**(741)**	864
- fair value reserve of investments	**-**	2,224
- unused tax losses and minimum tax	**18,079**	12,225
Net movement of temporary differences (Note 19.1.1)	**4,924**	7,550
Closing balance	**57,141**	52,217

19.1.1 Charged to the statement of profit or loss:

	2024	2023
Net movement of temporary differences (Note 19.1)	**(4,924)**	(7,550)
Recognised in statement of other comprehensive income:		
- experience adjustment on gratuity	**6,770**	(3,628)
- remeasurement of investments at FVTOCI	**-**	2,224
	6,770	(1,404)
	1,846	(8,954)

19.1.2 Deductible temporary differences are considered to the extent that the realization of related tax benefits is probable from reversals of existing taxable temporary differences and future taxable profits.

		2024	2023
		(RUPEES IN THOUSAND)	
20.	**STORES, SPARE PARTS AND LOOSE TOOLS**		
	Stores	**19,719**	27,001
	Spare parts	**73,518**	45,297
	Loose tools	**299**	259
		93,536	72,557

20.1 Stores and spare parts include items which may result in fixed capital expenditure but are not distinguishable.

		2024	2023
21.	**STOCK-IN-TRADE**		
	Raw materials (Note 21.1)	**214,999**	229,139
	Work-in-process	**112,487**	66,011
	Finished goods (Note 21.2)	**228,376**	336,079
	Waste	**721**	4,927
		556,583	636,156

21.1 These include stock of Rupees 22.880 million (2023: Rupees 48.478 million) sent to outside parties for conversion.

21.2 These include stock of Rupees 30.300 million (2023: Rupees 35.377 million) sent to outside parties for processing.

		2024	2023
22.	**TRADE DEBTS**		
	Considered good:		
	Unsecured	**493,043**	481,759
	Less: Allowance for expected credit losses (Note 22.3)	**2,732**	4,616
		490,311	477,143

		2024	2023
		(RUPEES IN THOUSAND)	
22.1	Trade debts in respect of foreign and local jurisdictions are as follows:		
	Czech Republic	**120,349**	-
	Ghana	**23,992**	64,459
	Pakistan	**191,017**	268,909
	Spain	**-**	33,368
	United Kingdom	**149,754**	92,870
	United States of America	**3,413**	17,537
	Canada	**1,786**	-
		490,311	477,143

22.2 'Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 15 to 30 days from delivery in case of local sales, and 30 to 120 days in case of export sales.

22.3 Allowance for expected credit losses

	2024	2023
Balance as at 01 July	**4,616**	5,072
Add: Recognized during the year (Note 33)	**2,589**	-
	7,205	5,072
Less: Recovered during the year (Note 34)	**4,473**	456
As at 30 June	**2,732**	4,616

23. LOANS AND ADVANCES

Considered good:

	2024	2023
Employees - interest free:		
Against expenses	**3,095**	5,311
Against salary	**703**	882
	3,798	6,193
Current portion of long term advances (Note 18)	**124**	306
Advances to suppliers / service providers	**62,035**	51,225
Letters of credit	**1,008**	-
Prepayments	**2,914**	2,424
	69,879	60,148
Less: Provision for doubtful loans and advances (Note 23.1)	**4,544**	5,216
	65,335	54,932

		2024	2023
		(RUPEES IN THOUSAND)	
23.1	**Provision for doubtful loans and advances**		
	Balance as at 01 July	**5,216**	2,975
	Add: Recognized during the year	**-**	2,241
		5,216	5,216
	Less: Reversal of provision for doubtful loans and advances (Note 34)	**672**	-
	As at 30 June	**4,544**	5,216

24. OTHER RECEIVABLES

Considered good:

	2024	2023
Sales tax and excise duty refundable	**789,133**	509,990
Export rebate	**12,905**	7,507
Others (Note 24.1 and 24.2)	**65,476**	63,474
	867,514	580,971
Less: Provision for doubtful other receivables (Note 24.3)	**11,968**	11,968
	855,546	569,003

24.1 These include Rupees 0.363 million (2023: Rupees Nil) due from Riaz and Company (1962, Private) Limited, a related party, which is past due but not impaired. The ageing analysis is as follows:

	2024	2023
	363	-

24.2 The maximum aggregate amount receivable from the related party at the end of any month during the year was Rupees 0.363 million (2023: Rupees Nil).

24.3 Provision for doubtful other receivables

	2024	2023
Balance as at 01 July	**11,968**	11,760
Add: Recognized during the year	**-**	208
As at 30 June	**11,968**	11,968

	2024	2023
	(RUPEES IN THOUSAND)	
25. ADVANCE INCOME TAX AND PREPAID LEVY - NET		
Advance income tax - net		
Advance income tax	**211,659**	235,182
Less: Provision for taxation	**(8,797)**	(7,204)
	202,862	227,978
Levy payable - net		
Less: Levy payable (Note 25.1)	**(73,215)**	(71,596)
Prepaid levy	**10,909**	8,381
	(62,306)	(63,215)
	140,556	164,763

25.1 This amount includes levy related to continuing operations is as follows:

	2024	2023
Levy		
- Levy for the year	**51,206**	71,596
- Prior year	**(346)**	-
	50,860	71,596

26. SHORT TERM INVESTMENTS

	2024	2023
At fair value through other comprehensive income		
Others - quoted		
Shakarganj Limited 1 143 693 (2023: 1 143 693) ordinary shares of Rupees 10 each fully paid. Equity held 0.91% (2023: 0.91%)	7,194	7,194
Crescent Steel and Allied Products Limited 76 (2023: 76) ordinary shares of Rupees 10 each fully paid.	1	1
Samba Bank Limited 2 579 313 (2023: 2 579 313) ordinary shares of Rupees 10 each fully paid. Equity held 0.26% (2023: 0.26%)	7,091	7,091
The Crescent Textile Mills Limited 4 734 863 (2023: 4 734 863) ordinary shares of Rupees 10 each fully paid. Equity held 4.73% (2023: 4.73%)	57,163	57,163
	71,449	71,449
Add: Fair value adjustment	67,362	59,920
	138,811	131,369

27. CASH AND BANK BALANCES

	2024	2023
	(RUPEES IN THOUSAND)	
With banks:		
On current accounts	**19,399**	49,253
Cash in hand	**1,030**	385
	20,429	49,638

28. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under International Financial Reporting Standard (IFRS) 5 'Non-Current Assets Held for Sale and Discontinued Operations' in their respective categories are summarized hereunder:

		2024	2023
(a)	**Non-current assets classified as held for sale**		
	Property, plant and equipment - Head Office (Note 28.1)	**4,795,120**	-
	Property, plant and equipment - Spinning Unit 4 (Note 28.2)	**477,833**	-
		5,272,953	-
(b)	**Non-current liabilities directly associated with assets classified as held for sale**		
	Non-current liabilities - Spinning Unit 4 (Note 28.2)	**30,474**	-
(c)	**Analysis of the result of discontinued operation**		
	Loss after taxation from discontinued operation - Spinning Unit 4 (Note 28.2)	**(25,963)**	-
	Cash flows of discontinued operation - Spinning Unit 4	**(750)**	-

A breakup of the constituents of non-current assets held for sale and discontinued operations is given as follows:

28.1 Property, plant and equipment - Head office

Property, plant and equipment related to Head Office has been presented as held for sale following the approval of the management of the Company and shareholders in EOGM held on 13 March 2024 regarding the disposal of land and building alongwith investment properties related to the land of Head Office of the Company situated at New Lahore Road, Nishatabad, Faisalabad, Punjab. The Company is in process to take all necessary steps including negotiation as may be necessary for the completion of the transaction. The management is hopeful of completing the sale transactions during the next financial year.

Non-current assets classified as held for sale

The carrying amounts of non-current assets of the Head Office classified as held for sale during the year are as follows:
Transferred from property, plant and equipment during the year

	2024	2023
	(RUPEES IN THOUSAND)	
Freehold land	**4,501,907**	**-**
Building	**950**	**-**
	4,502,857	**-**
Transferred from investment properties (Note 16)	**292,263**	**-**
Carrying value of non-current assets held for sale as at 30 June	**4,795,120**	**-**

28.2 Property, plant and equipment - Spinning Unit 4

Following the approval of the management of the Company and shareholders in EOGM held on 03 June 2024 regarding the disposal of plant and machinery and related equipment of Spinning Unit 4 situated at 45-Km Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur, Punjab. The Company has discontinued its operations of the Spinning Unit 4 and is in process to take all necessary steps including negotiation signing of documents, deeds, papers, agreements and all other documents as may be necessary for the completion of the transaction. Subsequent to the reporting date, the assets sale and purchase agreement between the buyer and the Company has been duly signed on 01 October 2024 for a total of considertion of Rupees 550 million. The associated assets and liabilities are consequently presented as held for sale in these financial statements.

Non-current assets classified as held for sale

The carrying amounts of non-current assets of the Spinning Unit 4 classified as held for sale during the year are as follows:

Transferred from property, plant and equipment during the year

Freehold land	**118,020**	-
Buildings and roads	**72,076**	-
Plant and machinery	**211,489**	-
Stand-by equipment	**51,610**	-
Electric installations	**18,755**	-
Tools and equipment	**3,567**	-
Furniture and fixtures	**743**	-
Vehicles	**1,549**	-
Office equipment	**22**	-
Service equipment	**2**	-
Carrying value of non-current assets held for sale as at 30 June	**477,833**	-

Non-current liabilities directly associated with non-current assets classified as held for sale

The following liabilities are classified as non-current liabilities directly associated with assets classified as held for sale in relation to the discontinued operation as at 30 June 2024:

	2024	2023
	(RUPEES IN THOUSAND)	
Long term financing (Note 8)	**27,347**	-
Staff retirement gratuity (Note 9.1)	**3,127**	-
Total non-current liabilities of directly associated with non-current assets classified as held for sale	**30,474**	-

Analysis of result of discontinued operation

	2024	2023
REVENUE FROM CONTRACTS WITH CUSTOMERS	**1,760,733**	-
COST OF SALES	**(1,703,417)**	-
GROSS PROFIT	**57,316**	-
DISTRIBUTION COST	**(5,881)**	-
ADMINISTRATIVE EXPENSES	**(14,785)**	-
OTHER INCOME	**1,577**	-
FINANCE COST	**(43,594)**	-
LOSS BEFORE TAXATION AND LEVY FROM DISCONTINUED OPERATION	**(5,367)**	-
LEVY	**(22,009)**	
LOSS BEFORE TAXATION FROM DISCONTINUED OPERATION	**(27,376)**	-
TAXATION	**1,413**	-
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION	**(25,963)**	-

Analysis of the cash flows of discontinued operation

	2024	2023
Cash inflows from operating activities	**44,374**	-
Cash inflows from investing activities	**-**	-
Cash outflows from financing activities	**(45,124)**	-
	(750)	-

		2024	2023
		(RUPEES IN THOUSAND)	
29.	**REVENUE**		
	Local sales (Note 29.1)	**2,459,484**	5,169,554
	Export sales (Note 29.2)	**2,105,159**	748,240
	Export rebate	**5,949**	4,415
		4,570,592	5,922,209
29.1	**Local sales**		
	Yarn	**2,775,761**	5,921,090
	Hosiery	**20,908**	13,497
	Home textiles	**23,672**	5,278
	Raw materials	**31,157**	70,008
	Waste	**50,694**	56,005
		2,902,192	6,065,878
	Less: Sales tax	**442,708**	896,324
		2,459,484	5,169,554
29.2	**Export sales**		
	Yarn sale to customer having Duty and Tax Remission for Exports (DTREs)	**1,202,396**	171,121
	Hosiery	**139,552**	163,620
	Home textiles	**763,211**	413,499
		2,105,159	748,240

29.3 Sales in respect of foreign and local jurisdictions is as follows:

	2024	2023
Austria	**1,702**	9,497
Czech Republic	**482,965**	71,831
France	**-**	18,721
Ghana	**79,442**	74,836
Italy	**18,594**	65,533
Japan	**-**	5,920
Pakistan	**2,459,484**	5,169,544
Romania	**-**	5,322
Spain	**42,195**	33,518
Switzerland	**9,457**	24,069
United Kingdom	**175,925**	107,999
United States of America	**95,925**	164,288
Canada	**2,507**	-
Others - DTREs	**1,202,396**	171,121
	4,570,592	5,922,209

29.4 The Company has recognized revenue of Rupees 297.189 million (2023: Rupees 80.685 million) from amounts included in contract liabilities at the year end.

29.5 Revenue is recognized at the point in time as per the terms and conditions of underlying contracts with customers.

	2024	2023
	(RUPEES IN THOUSAND)	
30. COST OF SALES		
Raw materials consumed	**1,813,667**	3,363,876
Salaries, wages and other benefits (Note 30.1)	**284,455**	339,611
Stores, spare parts and loose tools consumed	**211,088**	229,284
Fuel and power	**1,355,507**	1,269,993
Outside weaving / processing / stitching charges	**198,225**	143,444
Other manufacturing overheads	**27,322**	26,290
Insurance	**7,814**	11,603
Repair and maintenance	**4,331**	5,332
Depreciation (Note 15.3)	**31,274**	77,517
	3,933,683	5,466,950
Work-in-process		
Opening stock	**45,226**	77,012
Closing stock	**(112,487)**	(66,011)
	(67,261)	11,001
Cost of goods manufactured	**3,866,422**	5,477,951
Finished goods		
Opening stock	**289,941**	264,109
Closing stock	**(219,676)**	(341,006)
	70,265	(76,897)
	3,936,687	5,401,054
Cost of goods purchased for resale	**156,951**	53,004
	4,093,638	5,454,058

30.1 Salaries, wages and other benefits include staff retirement benefit amounting to Rupees 25.805 million (2023: Rupees 33.444 million).

	2024	2023
31. DISTRIBUTION COST		
Freight and forwarding	**40,854**	36,159
Commission to selling agents	**10,163**	15,283
Insurance	**590**	580
Loading and handling	**9,019**	8,028
Others	**2,042**	1,251
	62,668	61,301

32. ADMINISTRATIVE EXPENSES

	2024	2023
	(RUPEES IN THOUSAND)	
Salaries and other benefits (Note 32.1)	**144,565**	147,085
Workers' welfare	**3,003**	3,796
Traveling and conveyance	**4,747**	3,605
Insurance	**2,507**	2,103
Rent, rates and taxes (Note 32.2)	**7,323**	6,008
Entertainment	**3,580**	3,291
Fee and subscription	**2,900**	3,036
Communication	**2,551**	2,725
Vehicles' running	**20,847**	24,487
Repair and maintenance	**11,813**	9,234
Utilities	**8,168**	6,789
Printing and stationery	**2,394**	2,335
Books and periodicals	**7**	17
Advertisement	**137**	92
Auditor's remuneration:		
Statutory audit - standalone	**1,600**	1,500
Statutory audit - consolidation	**300**	200
Other certifications including half yearly review	**500**	460
Out of pocket expenses	**45**	45
	2,445	2,205
Legal and professional	**2,797**	2,033
Miscellaneous	**7,938**	4,204
Depreciation (Note 15.3)	**2,055**	2,128
	229,777	225,173

32.1 Salaries and other benefits include staff retirement benefit amounting to Rupees 14.515 million (2023: Rupees 18.588 million).

32.2 These include Rupees 2.393 million (2023: Rupees 2.176 million) in respect of short term lease.

33. OTHER EXPENSES

	2024	2023
Donations (Note 33.1)	**-**	1,000
Workers' profit participation fund (Note 10.5)	**6,866**	6,613
Exchange loss	**5,292**	-
Allowance for expected credit losses (Note 22.3)	**2,589**	-
Provision for doubtful loans and advances	**-**	-
Provision for doubtful other receivables	**-**	2,241
Workers' welfare fund (Note 10.6)	**2,882**	208
Trade debts written off	**20**	3,815
	17,649	13,877

33.1 There was no interest of any director or his / her spouse in donees' fund.

	2024	2023
	(RUPEES IN THOUSAND)	

34. OTHER INCOME

Income from financial assets

	2024	2023
Net exchange gain	**-**	51,218
Dividend income (Note 34.1)	**4,742**	4,740
Reversal of allowance for expected credit losses (Note 22.3)	**4,473**	456
Reversal of provision for doubtful loans and advances (Note 23.1)	**672**	-
	9,887	56,414

Income from non-financial assets

	2024	2023
Rental income	**40,250**	36,720
Scrap sales	**1,954**	1,252
Gain on sale of property, plant and equipment	**3,291**	2,022
Credit balances added back	**54**	-
Amortization of deferred grant	**-**	298
Gain on remeasurement of fair value of investment properties	**-**	32,245
	45,549	72,537
	55,436	128,951

34.1 Dividend income

	2024	2023
The Crescent Textile Mills Limited	**4,735**	4,735
Security Papers Limited	**7**	5
	4,742	4,740

35. FINANCE COST

Mark-up / interest on:

	2024	2023
Long term financing	**2,187**	23,075
Short term borrowings	**75,538**	81,587
Workers' profit participation fund	**624**	1,175
Unwinding of discount on GIDC payable	**-**	58
Bank charges and commission	**5,339**	3,903
	83,688	109,798

	2024	2023
	(RUPEES IN THOUSAND)	
36. TAXATION		
Current		
- For the year	**7,847**	7,204
- Prior year	**-**	2,322
	7,847	9,526
Deferred	**3,259**	(8,954)
	11,106	572

36.1 The Company falls under the ambit of section 113 of the Income Tax Ordinance, 2001 and therefore minimum tax is being accounted for. This tax along with final tax on exports and dividend under relevant provisions of the Ordinance has been shown as levy payable in Note 25 to the financial statements. Accordingly the reconciliation between accounting profit before tax and tax expense has not been presented in these financial statements. Tax losses available for carry forward as at 30 June 2024 are of Rupees 154.806 million representing unabsorbed depreciation (2023: Rupees 116.012 million). Total minimum tax available for carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 June 2024 is of Rupees 273.913 million, while deferred income tax asset is recognized on minimum tax to the extent of Rupees 69.966 million. Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not presented in view of unused tax losses of the Company.

36.2 The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	RUPEES IN THOUSAND	
2024	62,305	2027
2023	63,215	2026
2022	50,662	2025
2021	20,483	2026
2020	77,248	2025
	273,913	

37. EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings / (loss) per share which is based on:

		2024	2023
Continuing operations			
Profit attributable to ordinay shareholders	(Rupees in thousand)	**76,642**	114,785
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	22 660 126
Earnings per share	(Rupees)	**3.38**	5.07

		2024	2023
Discontinued operations			
Loss for the year after taxation	(Rupees in thousand)	**(25,963)**	-
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	-
Loss per share	(Rupees)	**(1.15)**	-

		2024	2023
		(RUPEES IN THOUSAND)	
38.	**CASH GENERATED FROM OPERATIONS**		
	Profit before taxation and levy	**133,241**	186,953
	Adjustments for non cash charges and other items:		
	Depreciation (Note 15.3)	**70,192**	79,645
	Provision for staff retirement gratuity (Note 9.3)	**41,442**	52,032
	Gain on sale of property, plant and equipment (Note 15.5)	**(3,291)**	(2,022)
	Gain on remeasurement of fair value of investment properties	**-**	(32,245)
	Reversal of allowance for expected credit losses - net	**(1,884)**	(456)
	Exchange loss	**4,018**	-
	Provision for doubtful other receivables	**-**	208
	(Reversal of provision) / provision for doubtful loans and advances	**(672)**	2,241
	Finance cost	**127,282**	109,798
	Credit balances added back (Note 34)	**(54)**	-
	Trade debts written off (Note 33)	**20**	-
	Amortization of deferred grant	**-**	(298)
	Working capital changes (Note 38.1)	**(275,103)**	156,646
		95,191	552,502
38.1	**Working capital changes**		
	(Increase) / decrease in current assets		
	Stores, spare parts and loose tools	**(20,979)**	2,425
	Stock-in-trade	**79,573**	21,733
	Trade debts	**(15,322)**	37,078
	Loans, advances and prepayments	**(9,731)**	(11,081)
	Other receivables	**(286,543)**	(239,967)
		(253,002)	(189,812)
	(Decrease) / increase in trade and other payables	**(22,101)**	346,458
		(275,103)	156,646

38.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2024			
	Long term Financing	**Short term borrowings**	**Unclaimed dividend**	**Total**
	(RUPEES IN THOUSAND)			
Balance as at 01 July	115,261	560,605	4,177	680,043
Short term borrowings - net	-	137,682	-	137,682
Repayment of long term financing	(56,497)	-	-	(56,497)
Balance as at 30 June	58,764	698,287	4,177	761,228

	2023			
	Long term Financing	**Short term borrowings**	**Unclaimed dividend**	**Total**
	(RUPEES IN THOUSAND)			
Balance as at 01 July	202,671	674,053	3,970	880,694
Other changes - non-cash movement	298	-	-	298
Short term borrowings - net	-	(113,448)	-	(113,448)
Repayment of long term financing	(87,708)	-	-	(87,708)
Dividend declared	-	-	16,995	16,995
Dividend paid	-	-	(16,788)	(16,788)
Balance as at 30 June	115,261	560,605	4,177	680,043

39. TRANSACTIONS WITH RELATED PARTIES

The related parties include subsidiary company, associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, except for remuneration to Chief Executive Officer, directors and key management personnel as discussed in Note 40, is as follows:

Name	Basis of relationship	Nature of transaction	2024	2023
			(RUPEES IN THOUSAND)	
Subsidiary company				
Crescot Mills Limited	66.15 % shareholding and common directorship	Raw materials purchased	**186,267**	167,718
		Expenses paid on behalf of subsidiary company	**164**	6
Associated companies				
Premier Insurance Limited	Common directorship	Insurance premium	**15,289**	15,792
		Dividend paid	**-**	159
Riaz and Company (1962, Private) Limited	Common directorship	Expenses paid on behalf of associated company	**448**	449
Other related parties				
Directors and executives	Members of Board of Directors, their relatives and key management personnel	Loan received - net	**9,581**	19,060
		Dividend paid	**-**	8,812

38. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

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

	Chief Executive Officer		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	(RUPEES IN THOUSAND)					
Managerial remuneration	**9,018**	**8,254**	**6,002**	**5,501**	**38,230**	**34,821**
Allowances:						
Housing	**4,058**	**3,714**	**2,701**	**2,476**	**15,069**	**15,709**
Utilities	**902**	**825**	**600**	**550**	**4,061**	**3,522**
Group insurance	**-**	**-**	**6**	**6**	**33**	**33**
Reimbursable expenses	**902**	**825**	**600**	**550**	**3,452**	**3,386**
	14,880	**13,618**	**9,909**	**9,083**	**60,845**	**57,471**
Number of persons	**1**	**1**	**1**	**1**	**10**	**10**

40.1 Aggregate amount charged in the financial statements for meeting fee to five directors (2023: five directors) was Rupees 580,000 (2023: Rupees 640,000).

40.2 The Chief Executive Officer, directors and executives of the Company are provided with Company maintained vehicles.

40.3 Apart from the meeting fee as disclosed in Note 40.1, no remuneration was paid to non-executive directors of the Company.

41. NUMBER OF EMPLOYEES

	2024	2023
	(NUMBER OF PERSONS)	
Number of employees as on 30 June	659	1147
Average number of employees during the year	1185	1116

42. ENTITY - WIDE INFORMATION

The Company constitutes a single reportable segment. All non-current assets of the Company as at reporting dates are located and operating in Pakistan. The Company's revenue is earned from three major customers (2023: Nil) of the Company representing revenue of Rupees 2,890.194 million (2023: Rupees Nil).

43. PLANT CAPACITY AND ACTUAL PRODUCTION

		2024	2023
Spinning:			
100% plant capacity converted to 20s count	Kgs.	**10 692 111**	15 537 655
Actual production converted to 20s count	Kgs.	**9 586 874**	13 010 169

Hosiery and home textiles:
Capacity of such units cannot be determined due to nature of their operations.

43.1 Reason For Low Production

The capacity for the current year was decreased because the operations of the Spinning Unit No. 4 has been discontinued following the approval as mentioned in Note 28 to these financial statements. Moreover the variation in planned production of yarn counts also changed the capacity. The reasons for low production include normal repair and maintenance and power shut down / jerks.

44. FINANCIAL RISK MANAGEMENT

44.1 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 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, investment of excess liquidity and use of non-derivative financial instruments.

(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.

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

	2024	**2023**
Trade debts - USD	**350,486**	402,523
Trade debts - GBP	**574,439**	254,598

Following significant exchange rates were applied during the year:

Rupees per US Dollar		
Average rate	**284.67**	249.48
Reporting date rate	**278.30**	286.60
Rupees per GBP		
Average rate	**356.23**	294.50
Reporting date rate	**351.22**	364.77

Sensitivity analysis

'If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD and GBP with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 13.917 million (2023: Rupees 9.596 million) higher / lower, 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 instruments or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Company's equity (fair value reserve of FVTOCI investments). 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	Impact on statement of other comprehensive income (fair value reserve)	
	2024	**2023**
	(RUPEES IN THOUSANDS)	
PSX 100 (5% increase)	**7,184**	6,857
PSX 100 (5% decrease)	**(7,184)**	(6,857)

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

(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 and short term borrowings. 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:

	2024	**2023**
	(RUPEES IN THOUSAND)	
Fixed rate instruments		
Financial liabilities		
Long term financing	**31,417**	42,790
Floating rate instruments		
Financial liabilities		
Long term financing	**27,347**	72,471
Short term borrowings	**387,889**	259,788

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 reporting 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 3.865 million (2023: Rupees 3.093 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate financial instruments. This analysis is prepared assuming that amounts of financial instruments outstanding at reporting dates 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:

	2024	2023
	(RUPEES IN THOUSAND)	
Investments	**146,180**	139,633
Loans and advances	**827**	1,312
Deposits	**3,383**	3,383
Trade debts	**490,311**	477,143
Other receivables	**53,508**	51,506
Bank balances	**19,399**	49,253
	713,608	722,230

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:

	Rating			2024	2023
Banks	**Short Term**	**Long Term**	**Agency**	**Rupees in Thousands**	
Conventional Accounts					
National Bank of Pakistan	A1+	AAA	PACRA	**1,743**	2,013
Allied Bank Limited	A1+	AAA	PACRA	**154**	101
Bank Alfalah Limited	A1+	AAA	PACRA	**121**	243
Habib Bank Limited	A-1+	AAA	VIS	**6,356**	14,351
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**1,010**	3,205
Faysal Bank Limited	A1+	AA	PACRA	**20**	20
MCB Bank Limited	A1+	AAA	PACRA	**66**	375
United Bank Limited	A-1+	AAA	VIS	**2,243**	6,073
Askari Bank Limited	A1+	AA+	PACRA	**31**	31
Bank Al-Habib Limited	A1+	AAA	PACRA	**442**	1,069
The Bank of Punjab	A1+	AA+	PACRA	**1,302**	5,444
Sindh Bank Limited	A-1+	AA-	VIS	**91**	214
JS Bank Limited	A1+	AA-	PACRA	**1,056**	889
				14,635	34,028

	Rating			2024	2023
	Short Term	Long Term	Agency	Rupees in Thousands	
Shariah compliant accounts					
Meezan Bank Limited	A-1+	AAA	VIS	**1,011**	13,371
Faysal Bank Limited	A1+	AA	PACRA	**952**	1,433
MCB Islamic Bank Limited	A1	A+	PACRA	**35**	35
Bank Al-Habib Limited	A1+	AAA	PACRA	**25**	118
Askari Bank Limited	A1+	AA+	PACRA	**2,213**	210
Bank Alfalah Limited	A1+	AA+A	PACRA	**528**	58
				4,764	15,225
				19,399	49,253

Due to the Company's long standing business relationship with these counterparties, management does not expect non-performance by these counterparties on their obligations of the Company. Accordingly the credit risk is minimal.

To manage exposure of credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Majority of the Company's revenue is earned from customers where advance payment is received. Sales contracts and credit terms are approved by the senior management. The management has set a maximum credit period limit for each type of customer in order to reduce the credit risk.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is as follows:

	GROSS AMOUNT		EXPECTED CREDIT LOSSES	
	2024	2023	2024	2023
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Not past due	**99,101**	330,603	**-**	-
Upto 1 month	**162,951**	79,278	**-**	-
1 to 6 months	**108,579**	46,169	**-**	-
6 months to 1 year	**119,680**	21,093	**-**	-
More than 1 year	**2,732**	4,616	**2,732**	4,616
	493,043	481,759	**2,732**	4,616

The management believes that all unimpaired amounts are collectable in full, based on historical payment behaviour and extensive analysis of consumer credit risk.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to manage liquidity risk is by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2024, the Company had Rupees 562.111 million (2023: Rupees 790.212 million) available borrowing limits from financial institutions and Rupees 20.429 million (2023: Rupees 49.638 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 June 2024:

	Carrying Amount	Contractual cash flows	6 month or less	6-12 months	1-2 years	More than 2 years
	(RUPEES IN THOUSAND)					
Non-derivative financial liabilities:						
Long term financing	115,261	123,250	36,813	14,998	29,026	31,615
Trade and other payables	789,094	789,094	789,094	-	-	-
Unclaimed dividend	4,177	4,177	4,177	-	-	-
Accrued mark-up	18,541	18,541	18,541	-	-	-
Short term borrowings	560,605	591,133	591,133	-	-	-
	1,487,678	1,526,195	1,439,758	14,998	29,026	31,615

Contractual maturities of financial liabilities as at 30 June 2023:

Non-derivative financial liabilities:						
Long term financing	115,261	123,250	36,813	25,796	29,026	31,615
Trade and other payables	789,094	789,094	789,094	-	-	-
Unclaimed dividend	4,177	4,177	4,177	-	-	-
Accrued mark-up	18,541	18,541	18,541	-	-	-
Short term borrowings	560,605	591,133	591,133	-	-	-
	1,487,678	1,526,195	1,439,758	25,796	29,026	31,615

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective at the year end. The rates of interest / mark-up have been disclosed in Note 8 and 12 to these financial statements.

Carrying amount of long term financing as at 30 June 2024 includes overdue installments of principal amounting to Rupees 4.271 million (2023: Rupees 4.271 million).

44.2 Financial instruments by categories

	2024			2023		
	At amortized cost	At FVTOCI	Total	At amortized cost	At FVTOCI	Total
	(RUPEES IN THOUSAND)					
Assets as per statement of financial position						
Investments	**-**	**146,180**	**146,180**	-	139,633	139,633
Loans and advances	**827**	**-**	**827**	1,312	-	1,312
Deposits	**3,383**	**-**	**3,383**	3,383	-	3,383
Trade debts	**490,311**	**-**	**490,311**	477,143	-	477,143
Other receivables	**53,508**	**-**	**53,508**	51,506	-	51,506
Cash and bank balances	**20,429**	**-**	**20,429**	49,638	-	49,638
	568,458	**146,180**	**714,638**	582,982	139,633	722,615

	2024	2023
	Financial liabilities at amortized cost	
	(RUPEES IN THOUSAND)	
Liabilities as per statement of financial position		
Long term financing	**58,764**	115,261
Accrued mark-up	**24,391**	18,541
Short term borrowings	**698,287**	560,605
Trade and other payables	**854,332**	789,094
Unclaimed dividend	**4,177**	4,177
	1,639,951	1,487,678

44.3 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2024			2023		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
	(RUPEES IN THOUSAND)					
Assets as per statement of financial position						
Long term investments	**7,369**	**-**	**7,369**	8,264	-	8,264
Long term deposits	**3,383**	**-**	**3,383**	3,383	-	3,383
Long term advances	**-**	**-**	**-**	124	-	124
Loans, advances and prepayments	**827**	**64,508**	**65,335**	1,188	53,744	54,932
Trade debts	**490,311**	**-**	**490,311**	477,143	-	477,143
Other receivables	**53,508**	**802,038**	**855,546**	51,506	517,497	569,003
Short term investments	**138,811**	**-**	**138,811**	131,369	-	131,369
Cash and bank balances	**20,429**	**-**	**20,429**	49,638	-	49,638
	714,638	**866,546**	**1,581,184**	722,615	571,241	1,293,856

	2024			2023		
	Financial liabilities	Other than financial liabilities	Total as per statement of financial position	Financial liabilities	Other than financial liabilities	Total as per statement of financial position
	(RUPEES IN THOUSAND)					
Liabilities as per statement of financial position						
Long term financing	**58,764**	**-**	**58,764**	115,261	-	115,261
Trade and other payables	**854,332**	**355,739**	**1,210,071**	789,094	443,132	1,232,226
Unclaimed dividend	**4,177**	**-**	**4,177**	4,177	-	4,177
Accrued mark-up	**24,391**	**-**	**24,391**	18,541	-	18,541
Short term borrowings	**698,287**	**-**	**698,287**	560,605	-	560,605
	1,639,951	**355,739**	**1,995,690**	1,487,678	443,132	1,930,810

44.4 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.

44.5 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. 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, 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 8 and Note 12 respectively. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'.

	2024	2023
	(RUPEES IN THOUSAND)	
Borrowings	**757,051**	675,866
Total equity	**6,152,408**	6,102,085
Total capital employed	**6,909,459**	6,777,951
	(PERCENTAGE)	
Gearing ratio	**10.96**	9.97

Increase in gearing ratio resulted primarily from decrease in borrowings of the Company.

45. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENT

(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 three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
Financial assets				
At fair value through other comprehensive income	143,680	-	2,500	146,180
Total financial assets	143,680	-	2,500	146,180

Recurring fair value measurements At 30 June 2023	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
Financial assets				
At fair value through other comprehensive income	137,133	-	2,500	139,633
Total financial assets	137,133	-	2,500	139,633

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 was no transfer between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer 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 equity 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

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 maximize 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.

(ii) Valuation techniques used to determine fair values

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

46. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made for the non-financial assets 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 non-financial assets into the following three levels.

	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
At 30 June 2024				
Freehold land	-	286,360	-	286,360
Total non-financial assets	-	286,360	-	286,360

	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
At 30 June 2023				
Investment properties	-	292,263	-	292,263
Freehold land	-	4,906,287	-	4,906,287
Total non-financial assets	-	5,198,550	-	5,198,550

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 land (classified as property, plant and equipment). The management updates the assessment of the fair value of freehold land, 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 of freehold land is current prices in an active market for similar lands.

Valuation process

The Company engages external, independent and qualified valuer, to determine the fair value of the Company's freehold land. The fair value of the freehold land has been determined by Messrs Evaluation Focused Consulting as at 19 June 2023.

Changes in fair values are analyzed at each reporting date during the discussion between the Chief Financial Officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

47. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	Note	2024	2023
		(RUPEES IN THOUSAND)	
Revenue earned from shariah compliant business		**7,723,325**	6,386,209
Exchange gain		**-**	51,218
Loss or dividend earned from shariah compliant investments			
Dividend income		**4,735**	4,735
Unrealized gain / (loss) on remeasurement of investments measured at FVTOCI		**2,178**	(25,129)
Shariah compliant bank deposits and bank balances			
Bank balances	44.1 (b)	**4,764**	15,225
Profits earned or interest paid on any conventional loan / advance			
Mark-up on long term financing		**13,385**	23,075
Mark-up on short term borrowings		**107,467**	81,587
Loans / advances obtained as per Islamic mode			
Contract liabilities	10	**238,887**	308,699
Short term borrowings	12	**310,398**	300,817

There is no profit earned from shariah compliant bank balances as all the bank balances are in current accounts. Moreover there was no mark-up on Islamic mode of financing as all loans / advances were interest free. The relationship with all shariah compliant banks are related to bank accounts only as given in Note 44.1 (b).

48. DATE OF AUTHORIZATION

These financial statements were authorized for issue on October 02, 2024 by the Board of Directors of the Company.

49. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified for better presentation, wherever necessary for the purpose of comparison. However, no significant reclassifications have been made except for the following:

PARTICULARS	RECLASSIFICATION FROM	RECLASSIFICATION TO	RUPEES IN THOUSAND
Gas Infrastructure Development Cess (GIDC) Payable	Current portion of non-current liabilities	Trade and other payables	50,017

50. GENERAL

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED
AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION

YEAR ENDED 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT
To the members of Crescent Cotton Mills Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements ofCrescent Cotton Mills Limited and its Subsidiary Company (the Group), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of theconsolidated 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. No.	Key audit matters	How the matters were addressed in our audit
1.	**Inventory existence and valuation** As at 30 June 2024 amounting to Rupees 650.119 million of the Holding Company as at 30 June 2024represented a material portion in the consolidated statement of financial position, break up of which is as follows: - Stores, spare parts and loose tools of Rupees 93.536million - Stock-in-trade of Rupees 556.583 million Inventories are stated at lower of cost and net realizable value. We identified existence and valuation of inventories as a key audit matter due to their size, representing 7.36% of the total assets of the Group as at 30 June 2024, and the judgment involved in valuation. For further information on inventories, refer to the following: - Material accounting policy information,Inventories (Note 2.10 to the consolidated financial statements). - Stores, spare parts and loose tools (Note 21) and Stock-in-trade (Note 22) to the consolidated financial statements.	Our procedures over existence and valuation of inventories 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. • 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 inquiries from 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 consolidated financial statements.

<table>
<tr><th>Sr. No.</th><th>Key audit matters</th><th>How the matters were addressed in our audit</th></tr>
<tr><td>2.</td><td>Revenue recognition

We identified recognition of revenue of the Holding Company as a key audit matter because revenue is one of the key performance indicatorsand gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.

For further information, refer to the following:

- Material accounting policy information, Revenuerecognition (Note 2.13 to the consolidated financial statements).

- Revenue from contracts with customers (Note 30 to the consolidated financial statements).</td><td>Our procedures included, but were not limited to:

• We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue;

• We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents;
• We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period;

• We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 ‘Revenue from Contracts with Customers’;

• We also considered the appropriateness of disclosures in the financial statements.</td></tr>
</table>

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 consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 requirementsregarding independence, and to communicate with them all relationships and other matters that may reasonablybe 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 consolidated 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.

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

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad
October 04, 2024

UDIN: AR202410158MizSQPWIx

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
30 000 000 (2023: 30 000 000) ordinary shares of Rupees 10 each		**300,000**	300,000
Issued, subscribed and paid up share capital	3	**226,601**	226,601
Reserves			
Capital reserves	4		
Premium on issue of shares reserve		**5,496**	5,496
Plant modernization reserve		**12,000**	12,000
Share of equity accounted investees' reserve		**5,937**	5,215
Fair value reserve	5	**3,953**	(4,779)
Surplus on revaluation of freehold land and investment properties	6	**4,926,217**	4,926,217
		4,953,603	4,944,149
Revenue reserves	7	**1,324,504**	1,284,835
Total reserves		**6,278,107**	6,228,984
Equity attributable to equity holders of the Holding Company		**6,504,708**	6,455,585
Non-controlling interest		**181,072**	181,144
		6,685,780	6,636,729
TOTAL EQUITY			
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	8	**20,044**	54,493
Staff retirement gratuity	9	**141,507**	100,726
		161,551	155,219
CURRENT LIABILITIES			
Trade and other payables	10	**1,216,443**	1,240,085
Unclaimed dividend		**4,177**	4,177
Accrued mark-up	11	**24,391**	18,541
Short term borrowings	12	**698,287**	560,605
Current portion of non-current liabilities	13	**11,373**	60,768
		1,954,671	1,884,176
Non-current liabilities directly associated with assets classified as held for sale	29	**30,474**	-
		1,985,145	1,884,176
TOTAL LIABILITIES		**2,146,696**	2,039,395
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		**8,832,476**	8,676,124

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

CHIEF EXECUTIVE OFFICER

	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	15	**608,765**	5,646,537
Investment properties	16	**365,281**	650,091
Investments in equity accounted investees	17	**552**	3,374
Other long term investments	18	**5,181**	3,891
Long term deposits		**3,905**	3,905
Long term advances	19	**-**	124
Deferred income tax asset	20	**54,573**	52,574
		1,038,257	6,360,496
CURRENT ASSETS			
Stores, spare parts and loose tools	21	**93,536**	72,557
Stock-in-trade	22	**566,685**	665,626
Trade debts	23	**490,311**	477,453
Loans, advances and prepayments	24	**72,530**	58,269
Short term deposits and other receivables	25	**868,001**	581,545
Advance income tax and prepaid levy - net	26	**145,458**	167,116
Short term investments	27	**140,693**	131,487
Cash and bank balances	28	**144,052**	161,575
		2,521,266	2,315,628
Non-current assets held for sale	29	**5,272,953**	-
		7,794,219	2,315,628
TOTAL ASSETS		**8,832,476**	8,676,124

DIRECTOR

CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
CONTINUING OPERATIONS:			
REVENUE FROM CONTRACTS WITH CUSTOMERS	30	**4,825,784**	6,701,428
COST OF SALES	31	**(4,319,926)**	(6,207,228)
GROSS PROFIT		**505,858**	494,200
DISTRIBUTION COST	32	**(66,950)**	(61,707)
ADMINISTRATIVE EXPENSES	33	**(270,285)**	(261,944)
OTHER EXPENSES	34	**(17,649)**	(13,877)
OTHER INCOME	35	**85,399**	182,030
FINANCE COST	36	**(84,319)**	(110,328)
		152,054	228,374
SHARE OF NET PROFIT / (LOSS) IN EQUITY ACCOUNTED INVESTEES - NET OF TAX	17	**656**	(315)
PROFIT BEFORE TAXATION AND LEVY		**152,710**	228,059
LEVY	26.1	**(53,176)**	(71,996)
PROFIT BEFORE TAXATION		**99,534**	156,063
TAXATION	37	**(16,997)**	(5,399)
PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS		**82,537**	150,664
DISCONTINUED OPERATION			
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION	29	**(25,963)**	-
PROFIT AFTER TAXATION		**56,574**	150,664
SHARE OF PROFIT ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		**56,562**	138,401
NON-CONTROLLING INTEREST		**12**	12,263
		56,574	150,664
EARNINGS PER SHARE - BASIC AND DILUTED FROM CONTINUING OPERATIONS (RUPEES)	38	**3.64**	6.11
LOSS PER SHARE - BASIC AND DILUTED FROM DISCONTINUED OPERATION (RUPEES)	38	**(1.15)**	-

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	(RUPEES IN THOUSAND)	
PROFIT AFTER TAXATION	**56,574**	150,664
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss:		
Experience adjustment on defined benefit plan	**(23,692)**	14,977
Deferred income tax related to experience adjustment	**6,871**	(3,677)
	(16,821)	11,300
Surplus on revaluation of freehold land	**-**	642,909
Fair value adjustment on remeasurement of investments at fair value through other comprehensive income	**8,732**	(26,795)
Deferred income tax relating to investments at fair value through other comprehensive income	**-**	6,255
	8,732	(20,540)
Share of other comprehensive income of equity accounted investees:		
Experience adjustment on defined benefit plan - net of tax	**489**	(2)
Surplus on revaluation of property, plant and equipment	**60**	96
Fair value adjustment on remeasurement of investments at fair value through other comprehensive income	**11**	(5)
Share of other comprehensive loss from associated company	**6**	-
	566	89
	(7,523)	633,758
Items that may be reclassified subsequently to profit or loss	**-**	-
Other comprehensive (loss) / income for the year - net of tax	**(7,523)**	633,758
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**49,051**	784,422
SHARE OF TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
EQUITY HOLDERS OF HOLDING COMPANY	**49,123**	772,119
NON-CONTROLLING INTEREST	**(72)**	12,303
	49,051	784,422

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

CHIEF EXECUTIVE OFFICER   DIRECTOR   CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	SHARE CAPITAL	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY											NON-CONTROLLING INTEREST	TOTAL EQUITY
		CAPITAL RESERVES						REVENUE RESERVES			TOTAL RESERVES	SHAREHOLDERS' EQUITY		
		Premium on issue of shares	Plant modernization on	Fair value reserve of investments at FVTOCI	Surplus on revaluation of free hold land & investment properties	Share of equity accounted investees' reserve	Sub total	General reserve	Unappropriated profit	Sub total				
	(RUPEES IN THOUSAND)													
Balance as at 01 July 2022	226,601	5,496	12,000	15,761	4,283,308	5,126	4,321,691	48,975	1,103,194	1,152,169	5,473,860	5,700,461	168,841	5,869,302
Transaction with owners - Final dividend for the year ended 30 June 2022 at the rate of Rupee 0.75 per share	-	-	-	-	-	-	-	-	(16,995)	(16,995)	(16,995)	(16,995)	-	(16,995)
Profit for the year	-	-	-	-	-	-	-	-	138,401	138,401	138,401	138,401	12,263	150,664
Other comprehensive income for the year	-	-	-	(20,540)	642,909	89	622,458	-	11,260	11,260	633,718	633,718	40	633,758
Total comprehensive income for the year	-	-	-	(20,540)	642,909	89	622,458	-	149,661	149,661	772,119	772,119	12,303	784,422
Balance as at 30 June 2023	226,601	5,496	12,000	(4,779)	4,926,217	5,215	4,944,149	48,975	1,235,860	1,284,835	6,228,984	6,455,585	181,144	6,636,729
Transfer of share of equity accounted investee reserve due to disposal	-	-	-	-	-	156	156	-	(156)	(156)	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	56,562	56,562	56,562	56,562	12	56,574
Other comprehensive loss for the year	-	-	-	8,732	-	566	9,298	-	(16,737)	(16,737)	(7,439)	(7,439)	(84)	(7,523)
Total comprehensive income for the year	-	-	-	8,732	-	566	9,298	-	39,825	39,825	49,123	49,123	(72)	49,051
Balance as at 30 June 2024	226,601	5,496	12,000	3,953	4,926,217	5,937	4,953,603	48,975	1,275,529	1,324,504	6,278,107	6,504,708	181,072	6,685,780

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CCML
Crescent Cotton Mills Ltd.

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024	2023
		(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	39	**101,088**	563,255
Finance cost paid		**(122,063)**	(111,783)
Income tax paid		**(64,239)**	(132,184)
Staff retirement gratuity paid	9.2	**(22,682)**	(91,481)
Decrease in long term deposits		**-**	280
Decrease in long term advances		**124**	65
Net cash (used in) / generated from operating activities		**(107,772)**	228,152
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment	15	**(23,410)**	(24,368)
Advance against purchase of investment property		**(7,453)**	(24,828)
Proceeds from sale of property, plant and equipment		**8,300**	12,615
Profit on PLS account and TDRs received		**23,241**	15,292
Short term investments (acquired) / redeemed - net		**8,386**	9,932
Net cash from / (used in) investing activities		**9,064**	(11,357)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing	39.2	**(56,497)**	(87,708)
Short term borrowings - net	39.2	**137,682**	(113,448)
Dividend paid		**-**	(16,788)
Net cash from / (used in) financing activities		**81,185**	(217,944)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(17,523)**	(1,149)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**161,575**	162,724
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	28	**144,052**	161,575

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. THE GROUP AND ITS OPERATIONS

The Group consists of Crescent Cotton Mills Limited (the Holding Company) and its Subsidiary Company, Crescot Mills Limited.

Crescent Cotton Mills Limited

Crescent Cotton Mills Limited (CCML) is a public limited company incorporated in March 1959 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The Company is engaged in the business of manufacturing and sale of yarn, home textile and hosiery items along with buying, selling and otherwise dealing in cloth and made-ups. The Company's registered office is situated at New Lahore Road, Nishatabad, Faisalabad, Punjab. The Company was previously operating a Spinning Unit situated at 45-Km Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur, Punjab. However, due to continuous difficulties in operations, following the approval in Extra Ordinary General Meeting (EOGM) dated 03 June 2024, it was decided to discontinue its operations and has approved to dispose of property, plant and equipment of the unit. Moreover the freehold land and buildings situated at New Lahore Road, Nishatabad, Faisalabad, Punjab has also been approved as held for sale following the approval of the members of the Company in EOGM held on 13 March 2024.

1.1 Geographical location and addresses of all business units of the Company except for the registered office as mentioned above are as follows:

Manufacturing Unit and Offices	Address
Spinning Unit No. 1 and 2, Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab
Liaison Office	408-Business Avenue, Shahrah-e-Faisal, Karachi, Sindh
Liaison Office	3rd Floor, 151, CCA, Commercial Area, DHA Phase 5, Above KFC, Lahore.

Crescot Mills Limited

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

'The material accounting policy information applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, except for the change in accounting policy of taxation and levy made in accordance with "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by The Institute of Chartered Accountants of Pakistan through Circular No. 7/2024. The change has been explained in Note 2.6 to these financial statements.

2.1 Basis of preparation

a) Statement of compliance

These consolidated 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) Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of consolidated financial statements in conformity with the approved accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the 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 consolidated financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives, patterns of economic benefits and impairments

The estimates for revalued amounts of different classes of property, plant and equipment and investment properties are based on valuation performed by external professional valuer and recommendation of technical teams of the Group. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Group reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future might affect the carrying amounts of the respective items of property, plant and equipment and investment properties 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.

Income Tax and levy

In making the estimates for income tax and levy currently payable by the Group, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Groups view differs from the view taken by the income tax department at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Recovery of deferred tax assets

Deferred tax assets are recognized for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the consolidated statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the consolidated statement of financial position date.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on the Group's experience of actual credit loss in past years.

Impairment of investments in equity accounted investees

The Group determines that a significant and prolonged decline in the fair value of its investments in equity accounted investees below their cost is an objective evidence of impairment. The impairment loss is recognized when the carrying amount exceeds the higher of fair value less cost to sell and value in use.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Employees retirement benefit

Certain actuarial assumptions have been adopted as disclosed in Note 9.3 to the consolidated financial statements for determination of present value of defined benefit obligation. Any change in these assumptions in future years might affect the current and remeasurement gains and losses in those years.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Group

Following amendments to published approved accounting standards are mandatory for the Group's accounting periods beginning on or after 01 July 2023:

• Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement' - Disclosure of Accounting Policies;

• Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a Single Transaction;

• Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Change in definition of 'Accounting Estimate'; and

• Amendments to IAS 12 'Income Taxes' - International Tax Reform - Pillar Two Model Rules.

The above-mentioned amendments and improvements to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Group

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

f) Standard and amendments to published approved accounting standards that are not yet effective but relevant to the Group

Following standard and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 01 July 2024 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 01 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 01 January 2024.

On 25 May 2023, the IASB issued 'Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangement. The amendments are effective for reporting period beginning on or after 01 January 2024.

Classification and Measurements of Financial Instruments (Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments') effective for annual periods beginning on or after 01 January 2026. These amendments address matters identified during the past - implementation review of the classification and measurement requirements of IFRS 9.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above standard and amendments are likely to have no significant impact on the consolidated financial statements.

g) Standards and amendments to approved published accounting standards that are not yet effective and not considered relevant to the Group

There are other standards and amendments to published approved standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

2.2 Basis of Consolidation

a) Subsidiary Company

Subsidiary is the company over which the Group has control. The Group controls a company when the Group is exposed to, or has rights to variable returns from its involvement with the company and has the ability to affect those returns through its power to direct the activities of the company. Subsidiary is fully consolidated from the date on which the control is transferred to the Group. These are deconsolidated from the date the control ceases.

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

Non-controlling interest is that part of net results of operations and of net assets of the Subsidiary Company which is not owned by the Holding Company. Non-controlling interest is presented as a separate item in the consolidated financial statements.

Intra-group balances and transactions are eliminated.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in equity accounted investees are tested for impairment in accordance with the provisions of IAS 36 `Impairment of Assets`.

2.3 Functional and presentation currency along with foreign currency transactions and translation

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). These consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. Figures are rounded off to the nearest thousand of Pak Rupees. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to consolidated statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction.

2.4 Staff retirement gratuity

The Group operates defined benefit plan - unfunded gratuity scheme for its permanent employees, who have completed the minimum qualifying period of service as defined under the scheme. The liabilities relating to defined benefit plan are determined through actuarial valuation using the Projected Unit Credit Method. Latest actuarial valuations have been carried on 30 June 2024. The method involves making assumptions about discount rates, future salary increases and mortality rates. Significant assumptions used to carry out the actuarial valuation have been disclosed in Note 9.4 to these consolidated financial statements.

Remeasurement changes which comprise actuarial gains and losses are recognized immediately in other comprehensive income.

2.5 Dividend and other appropriations

Dividend distribution to the shareholders is recognized as a liability in the consolidated 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 and levy

Change in accounting policy

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. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in statement of profit or loss. This change in accounting policy has been applied retrospectively in accordance with the provisions of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and resulted in following reclassification of corresponding figures:

Reclassified from	Reclassified to	RUPEES IN THOUSAND
Statement of profit or loss:		
Taxation	Levy	71,996
Statement of financial position:		
Advance income tax	Prepaid levy	8,781
Provision for taxation	Levy payable	71,996

Had there been no change in the above referred accounting policy, amount of Rupees 75.185 million of levy, Rupees 75.531 million of levy payable and Rupees 11.130 million of prepaid levy would have been presented as taxation expense, provision for taxation and advance income tax respectively in these consolidated financial statements. Further, this change in accounting policy has no impact on earnings per share of the Group.

Deferred

Deferred tax is recognized for using the liability method on all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated 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 consolidated 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, equipment and depreciation

a) Operating fixed assets

Operating 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. Capital work-in-progress is stated at cost less identified impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and other directly attributable costs of bringing the assets to working condition.

Increases in the carrying amounts arising on revaluation of freehold land are recognized 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.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not 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 Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to consolidated statement of profit or loss during the period in which these are incurred.

b) Depreciation

Depreciation on property, plant and equipment is charged to consolidated statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 15.1. The Group charges the depreciation on additions from the date when the asset is available for use and on deletions upto the date when the asset is de-recognized. 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 consolidated statement of profit or loss in the year the asset is de-recognized.

2.8 Investment properties

Land and buildings held to earn rental income or for capital appreciation are classified as investment properties. Investment properties are carried at fair value which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The valuation of the properties is carried out with sufficient regularity.

Gain or loss arising from a change in the fair value of investment properties is recognized in the consolidated statement of profit or loss for the year in which it arises.

2.9 Financial Instruments

i) Classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
• those to be measured at amortized cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following measurement category:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Group subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Group classifies its equity instruments into following measurement categories:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payments is established.

Fair Value Through Profit or Loss (FVTPL)

Changes in the fair value of equity investments at fair value through profit or loss are recognized in other income / (other expenses) in the consolidated statement of profit or loss as applicable.

Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified as measured at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognized in the consolidated statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

ii) Impairment of financial assets

The Group recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;

- a breach of contract such as a default;

- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or

- the disappearance of an active market for a security because of financial difficulties.

iii) De-recognition of financial assets and financial liabilities

a) Financial assets

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

b) Financial liabilities

The Group de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expired.

iv) Offsetting of financial assets and liabilities

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

2.10 Inventories

Inventories, except for stock in transit and waste stock, are stated at lower of cost and net realizable value. 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 valued at invoice amount plus other charges paid thereon.

Stock-in-trade

Cost of raw materials, work-in-process and finished goods is determined as follows:

(i) For raw materials	Weighted average basis
(ii) For work-in-process and finished goods	Average material cost, proportionate direct labour and factory overheads

Stock in transit is valued at cost comprising invoice value plus other charges paid thereon. Waste stock is valued at 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.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit 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.

2.12 Non-current assets held for sale

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

2.13 Revenue recognition

i) Revenue from contracts with customers

Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of Services

The Group provides textile related services to local customers. These services are sold separately and the Group's contract with the customers for services constitute a single performance obligation. Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Group's contracts with customers.

ii) Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

iv) Contract liabilities

Contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognized when the payment is received. Contract liabilities are recognized as revenue when the Group accomplishes its performance obligations under the contract.

v) Contract liabilities

Interest

'Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Rent revenue from investment properties is recognized on a straight line basis over the lease term. Contingent rentals are recognized as income in the period when earned.

Dividend

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

Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

2.14 Borrowings

Financing and 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 consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other receivables

Trade debts are initially stated at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.16 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.

2.17 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost. These are subsequently measured at amortized cost using the effective interest method.

2.18 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 consolidated statement of profit or loss.

2.19 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each consolidated statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the consolidated statement of profit or loss.

2.20 Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount of obligation can be made.

The Group had two reportable business segments: Textiles and Trading. However, the Group has decided to eliminate Trading segment due to reducing the trading activities and therefore, the minimum threshold as defined in IFRS 8 'Operating Segments' cannot be met anymore.

2.21 Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

2.22 Contingent assets

Contingent assets are disclosed when the Group has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognized until their realization becomes certain.

2.23 Contingent liabilities

Contingent liability is disclosed when the Group has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the consolidated financial statements.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024	2023		2024	2023
(NUMBER OF SHARES)			(RUPEES IN THOUSAND)	
5 509 767	5 509 767	Ordinary shares of Rupees 10 each fully paid up in cash	**55,098**	55,098
16 992 345	16 992 345	Ordinary shares of Rupees 10 each issued as fully paid up bonus shares	**169,923**	169,923
158 014	158 014	Ordinary shares of Rupees 10 each fully paid up, issued to a financial institution against its right of option for conversion of debentures pursuant to a loan agreement	**1,580**	1,580
22 660 126	22 660 126		**226,601**	226,601

3.1 Ordinary shares of the Holding Company held by the associated companies:

	2024	2023
	(NUMBER OF SHARES)	
Premier Insurance Limited	**212 000**	212 000

4. PREMIUM ON ISSUE OF SHARES RESERVE

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

5. FAIR VALUE RESERVE

This represents the unrealized gain on remeasurement of investments at fair value through other comprehensive income and is not available for distribution. Reconciliation of fair value reserve - net of deferred income tax is as under:

	2024	2023
	(RUPEES IN THOUSAND)	
Balance as on 01 July	**(4,779)**	15,761
Add: Deferred income tax relating to equity investments	**-**	6,255
	(4,779)	22,016
Fair value adjustment during the year	**8,732**	(26,795)
Gain realized on disposal of equity investments	**-**	-
	8,732	(26,795)
Balance as on 30 June	**3,953**	(4,779)

6. SURPLUS ON REVALUATION OF FREEHOLD LAND AND INVESTMENT PROPERTIES

	2024	2023
Freehold land (Note 6.1)	**4,813,078**	4,813,078
Investment properties	**113,139**	113,139
	4,926,217	4,926,217

6.1 Surplus on revaluation of freehold land

	2024	2023
Balance as on 01 July	**4,813,078**	4,170,169
Surplus on revaluation of freehold land	**-**	642,909
Balance as on 30 June	**4,813,078**	4,813,078

6.1.1 This represents surplus resulting from revaluation of freehold land carried out on 19 June 2023 by independent valuer Messrs Evaluation Focused Consulting. The valuation was determined with respect to the present market value of similar properties. Previously revaluation was carried out in June 2022, June 2019, June 2016, June 2015 and March 2010 by independent valuers.

7. REVENUE RESERVES

	2024	2023
General	**48,975**	48,975
Unappropriated profit	**1,275,529**	1,235,860
	1,324,504	1,284,835

8. LONG TERM FINANCING

From banking company - secured

	2024	2023
Long Term loans (Note 8.1)	**31,417**	115,261
Less: Current portion shown under current liabilities (Note 13)	**11,373**	60,768
	20,044	54,493

8.1 Long Term Loans

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST PAYABLE	INTEREST REPRICING	SECURITY
	(RUPEES IN THOUSAND)						
National Bank of Pakistan	-	31,450	3 Month KIBOR+3%	This facility was fully repaid on 01 February 2024.	Quarterly	Quarterly	First charge of Rupees 280 million over the fixed assets of the Company at 45 Km, Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur and personal guarantee of Chief Executive Officer, Director and Executive of the Holding Company.
National Bank of Pakistan	31,417	42,790	6%	These are different loans repayable in twenty seven to twenty eight equal quarterly installments starting from 30 June 2020 and ending on 21 April 2027	Quarterly	-	First charge of Rupees 107 million over entire fixed assets of the Company at Spinning Unit No. 1 and 2 and personal guarantee of Chief Executive Officer, Director and Executive of the Holding Company.
National Bank of Pakistan (8.1.1)	-	41,021	3 Month KIBOR+2.5%	Nineteen equal quarterly installments starting from 30 September 2021 and ending on 30 March 2026	Quarterly	Quarterly	First specific / exclusive charge for Rupees 87 million over plant and machinery i.e. solar panel system of the Company installed at Unit No. 4 located at 45 Km, Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur and personal guarantee of Chief Executive Officer, Director and Executive of the Holding Company.
	31,417	115,261					

8.1.1 This loan is directly associated with the non-current assets classified as held for sale. Therefore it is transferred to non-current liabilities directly associated with non-current assets held for sale shown under Note 29.

9. STAFF RETIREMENT BENEFIT

The latest actuarial valuation of the staff retirement gratuity was conducted on 30 June 2024 using Projected Unit Credit Actuarial Cost Method.

	2024	2023
	(RUPEES IN THOUSAND)	

9.1 Reconciliation of the movements in the net liability recognized in the consolidated statement of financial position

	2024	2023
Opening balance	**100,726**	162,319
Add:		
Provision for the year (Note 9.3)	**42,898**	53,375
Experience adjustment recognized in other comprehensive income	**23,692**	(14,977)
	167,316	200,717
Less:		
Paid during the year	**(22,682)**	(91,481)
Liability transferred to current liability	**-**	(8,510)
Liability classified as non-current liability directly associated with assets held for sale (Note 29)	**(3,127)**	-
	(25,809)	(99,991)
	141,507	100,726

9.2 Movements in the present value of staff retirement gratuity

	2024	2023
Opening balance	**100,726**	162,319
Current service cost	**27,001**	37,925
Interest expense	**15,897**	15,450
Payments made during the year	**(22,682)**	(91,481)
Experience adjustment recognized in other comprehensive income	**23,692**	(14,977)
Benefits due but not yet paid	**-**	(8,510)
Liability classified as non-current liability directly associated with assets held for sale (Note 29)	**(3,127)**	-
Closing balance	**144,634**	100,726

9.3 Provision for the year

	2024	2023
Current service cost	**27,001**	37,925
Interest expense	**15,897**	15,450
	42,898	53,375

9.4 Significant actuarial assumptions used

	2024	2023
Discount rate to determine defined benefit cost (per annum)	**15.75% - 16.25%**	13.25% - 13.50%
Expected rate of increase in salary to determine defined benefit cost (per annum)	**14.75% - 15.25%**	12.25% - 12.50%
Discount rate to determine defined benefit obligation (per annum)	**14.00% - 14.75%**	15.75% - 16.25%
Expected rate of increase in salary to determine defined benefit obligation (per annum)	**13.00% - 13.75%**	14.75% - 15.25%
Average duration of the benefit (years)	**6-10**	7-11
Mortality rates	**SLIC 2001-05 set back 1 year**	SLIC 2001-05 set back 1 year
Withdrawal rate	**Age based**	Age based
Retirement assumption	**Age 60**	Age 60

9.5 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 June 2025 is Rupees 47.500 million.

9.6 Sensitivity analysis for actuarial assumptions:

The sensitivity of the staff retirement gratuity as at reporting date to changes in the weighted principal assumption is:

	2024	2023
Discount rate	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**(7,799)**	(7,231)
Decrease in assumption (Rupees in thousand)	**9,624**	8,835
Future salary increase	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**9,784**	8,949
Decrease in assumption (Rupees in thousand)	**(8,121)**	(7,485)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit plan to significant actuarial assumptions, the same method (present value of the defined benefit plan calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognized within the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year except for certain changes as given in Note 9.4.

9.7 Risks associated with defined benefit plan

Discount rate risk

The risk of changes in discount rate may have an impact on the actuarial liability. Any increase in discount rate will reduce the liability and vice versa.

Salary increase / inflation risk

The increase in salary in future years being higher than assumed will increase the liability.

Mortality risk

Any increase in the mortality rates being assumed will increase the liability.

Withdraw risk

Any difference in the assumed withdrawal rates will have a corresponding impact on the liability depending on the benefits payable on withdrawal.

10. TRADE AND OTHER PAYABLES

	2024	2023
	(RUPEES IN THOUSAND)	
Creditors (Note 10.1)	**444,832**	302,791
Gas Infrastructure Development Cess (GIDC) payable (Note 10.2)	**59,017**	59,017
Accrued liabilities and other payables (Notes 10.3 and 10.4)	**411,108**	492,404
Contract liabilities - unsecured	**240,276**	308,699
Income tax deducted at source	**16,051**	12,315
Sales tax payable	**21,300**	44,137
Workers' profit participation fund (Note 10.5)	**6,868**	6,613
Workers' welfare fund (Note 10.6)	**16,991**	14,109
	1,216,443	1,240,085

10.1 These include Rupees 0.549 million (2023: Rupees 0.693 million) due to Bridgeline Global Logistics (Private) Limited, an associated company. The balance is in ordinary course of business and interest free.

10.2 This represents Gas Infrastructure Development Cess (GIDC) which was levied through GIDC Act, 2015. On 13 August 2020, Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Holding Company along with other industrial gas consumers has obtained interim relief from Lahore High Court, Lahore against the charge of GIDC at the rate of captive power consumer instead of industrial consumer.

10.2.1 This amount is exclusive of GIDC amounting to Rupees 70.869 million, related to Spinning Unit No. 3 of the Holding Company which was sold during the year ended 30 June 2021 and as per the agreement, its liabilities were taken over by the new owner of the property. However, the provision of this amount has been included in 'trade and other payables' which will be written back after the confirmation of Sui Northern Gas Pipelines Limited (SNGPL) regarding transfer of liability of GIDC.

	2024	2023
	(RUPEES IN THOUSAND)	
10.3 These include amounts due to following related parties:		
Premier Insurance Limited - associated company	**2,720**	1,930
Riaz and Company (1962, Private) Limited - associated company	**-**	67
	2,720	1,997

10.4 These include staff retirement gratuity payable due but not paid to employees amounting to Rupees 8.510 million (2023: Rupees 8.510 million).

10.5 Workers' profit participation fund

	2024	2023
Balance as on 01 July	**6,613**	17,656
Add:		
Provision for the year (Note 34)	**6,866**	6,613
Interest for the year	**694**	1,175
	14,173	25,444
Less: Payments made during the year	**7,305**	18,831
Balance as on 30 June	**6,868**	6,613

10.5.1 Interest is accrued at prescribed rate under the Companies Profits (Workers Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

10.6 Workers' welfare fund

	2024	2023
Balance as on 01 July	**14,109**	12,005
Provision for the year (Note 34)	**2,882**	3,815
	16,991	15,820
Less: Payment made during the year	**-**	1,711
Balance as on 30 June	**16,991**	14,109

	2024	2023
	(RUPEES IN THOUSAND)	

11. ACCRUED MARK-UP

	2024	2023
Long term financing	**2,369**	5,470
Short term borrowings	**22,022**	13,071
	24,391	18,541

12. SHORT TERM BORROWINGS

Holding Company

	2024	2023
From banking company - secured:		
Cash finances (Note 12.1)	**387,889**	259,788
Others - unsecured:		
Other related parties (Note 12.3)	**310,398**	300,817
	698,287	560,605

12.1 These form part of total credit facility of Rupees 950 million (2023: Rupees 1,050 million) and carries mark-up at the rates of 1 month KIBOR plus 2.5 percent (2023: 1 month KIBOR plus 2.5 percent) per annum. These are secured against charge, pledge and hypothecation over fixed and current assets of the Holding Company and personal guarantee of Chief Executive Officer, Director and certain executives. The rate of mark-up ranges from 24.02 percent to 25.27 percent (2023: 17.16 percent to 24.50 percent) per annum during the year on the balances outstanding.

12.2 The main facilities of letters of credits and guarantees aggregate to Rupees 350 million (2023: Rupees 350 million). The amounts utilized at 30 June 2024 were Rupees 243.397 million (2023: Rupees 62.864 million). Securities of these facilities are the same as mentioned in Note 12.1.

12.3 These represent interest free loans obtained from Chief Executive Officer, Directors and certain executives of the Holding Company to meet the Group's working capital requirements. These are repayable on demand.

	2024	2023
	(RUPEES IN THOUSAND)	

13. CURRENT PORTION OF NON-CURRENT LIABILITIES

	2024	2023
Current portion of long term financing (Note 8)	**11,373**	60,768

14. CONTINGENCIES AND COMMITMENTS

a) Contingencies

Holding Company

i) Certain additions have been made by the assessing officers in tax years 2006 and 2010 on various grounds and have created demand of Rupees 3.700 million (2023: Rupees 3.700 million). The Holding Company, being aggrieved, has filed appeals with Lahore High Court, Lahore, which are still pending. Dates of the institution of above mentioned appeals were 05 September 2016 and 29 November 2014 respectively. No provision has been made in these consolidated financial statements against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Holding Company.

ii) Crescent Fibres Limited (CFL) filed civil petition for the recovery of Rupees 23.000 million (2023: Rupees 23.000 million) along with mark-up in Lahore High Court, Lahore, after rejection of its application in Civil Court, Lahore. Lahore High Court, Lahore stayed the proceedings before Civil Court, Lahore on the same date. No provision against this receivable has been made in these consolidated financial statements as the management is hopeful that the case will be decided in favour of the Holding Company and all the outstanding dues will be recovered.

iii) The Holding Company has filed a suit in Lahore High Court, Lahore dated 15 October 2018 against the levy of cotton cess. However the related provision of Rupees 1.696 million (2023: Rupees 1.696 million) is not accounted for in these consolidated financial statements as the management is hopeful that the case will be decided in the favour of the Holding Company.

iv) Cheques of Rupees 32.485 million (2023: Rupees 32.485 million) are issued to Nazir of The High Court of Sindh, Karachi as security against impugned gas rate difference suit, related to Spinning Unit No. 3 of the Holding Company which was sold during the financial year ended 30 June 2021. The last hearing was made on 30 May 2024 but the verdict is reserved for judgement by the Court. If the outcome of the suit comes against the Holding Company, cheques issued as security shall be encashable.

v) Guarantees of Rupees 94.433 million (2023: Rupees 62.864 million) are given by the banks of the Holding Company to Sui Northern Gas Pipelines Limited (SNGPL) and Lahore Electric Supply Company Limited against gas and electricity connections respectively.

Vi) Holding Company’s share in contingencies of associates accounted for under equity method is Rupees 2.622 million (2023: Rupees 3.593 million)

Subsidiary Company

vii) Sindh High Court, Karachi made decision on 04 June 2021 about the levy of Sindh Infrastructure Cess, against which the Subsidiary Company was contingently liable for Rupees 7.550 million (2023: Rupees 7.550 million) although guarantees were submitted by the Subsidiary Company's Bank for the same amount. Against the decision, the Company lodged a constitution petition No. 11267 / 2021 dated 21 October 2021, in Supreme Court of Pakistan (SCP). Thereafter, on 10 November 2021, SCP allowed the petition, suspended the judgement of Sindh High Court, Karachi and leave to appeal was granted. However, the case is not yet fixed for hearing by SCP. On advice of legal counsel, in view of possible favorable outcome, no provision is accounted for in these consolidated financial statements.

b) Commitments

i) Letters of credit for capital expenditure of the Group are of Rupees Nil (2023: Rupees Nil).

ii) Letters of credit other than for capital expenditure of the Group are of Rupees 194.854 million (2023: Rupees 14.355 million).

15. PROPERTY, PLANT AND EQUIPMENT

	Land - Freehold	Buildings and roads	Plant and machinery	Stand-by equipment	Electric installations	Tools and equipment	Furniture and fixtures	Vehicles	Office equipment	Service equipment	Total
	(RUPEES IN THOUSAND)										
At 30 June 2022											
Cost / revalued amount	4,263,378	256,084	1,053,499	252,718	68,919	19,657	14,987	36,677	13,370	1,105	5,980,394
Accumulated depreciation	-	(157,902)	(564,074)	(100,144)	(35,755)	(14,180)	(10,150)	(13,067)	(12,922)	(1,067)	(909,261)
Net book value	4,263,378	98,182	489,425	152,574	33,164	5,477	4,837	23,610	448	38	5,071,133
Year ended 30 June 2023											
Opening net book value	4,263,378	98,182	489,425	152,574	33,164	5,477	4,837	23,610	448	38	5,071,133
Revaluation surplus	642,909	-	-	-	-	-	-	-	-	-	642,909
Additions	-	-	-	-	-	-	-	24,967	42	-	25,009
Disposals:											
Cost	-	-	(15,882)	-	-	-	-	(11,848)	-	-	(27,730)
Accumulated depreciation	-	-	15,679	-	-	-	-	2,673	-	-	18,352
	-	-	(203)	-	-	-	-	(9,175)	-	-	(9,378)
Depreciation charge	-	(9,588)	(49,049)	(15,278)	(3,316)	(549)	(484)	(4,636)	(225)	(11)	(83,136)
Closing net book value	4,906,287	88,594	440,173	137,296	29,848	4,928	4,353	34,766	265	27	5,646,537
At 30 June 2023											
Cost / revalued amount	4,906,287	256,084	1,037,617	252,718	68,919	19,657	14,987	49,796	13,412	1,105	6,620,582
Accumulated depreciation	-	(167,490)	(597,444)	(115,422)	(39,071)	(14,729)	(10,634)	(15,030)	(13,147)	(1,078)	(974,045)
Net book value	4,906,287	88,594	440,173	137,296	29,848	4,928	4,353	34,766	265	27	5,646,537
Year ended 30 June 2024											
Opening net book value	4,906,287	88,594	440,173	137,296	29,848	4,928	4,353	34,766	265	27	5,646,537
Additions	-	-	-	22,897	-	-	206	160	147	-	23,410
Classified as non-current assets held for sale:											
Cost / revalued amount	(4,619,927)	(157,784)	(400,194)	(68,940)	(36,899)	(6,457)	(1,420)	(3,111)	(1,836)	(47)	(5,296,615)
Accumulated depreciation	-	84,758	188,705	17,330	18,144	2,890	677	1,562	1,814	45	315,925
	(4,619,927)	(73,026)	(211,489)	(51,610)	(18,755)	(3,567)	(743)	(1,549)	(22)	(2)	(4,980,690)
Disposals:											
Cost	-	-	-	(30,321)	-	-	-	-	-	-	(30,321)
Accumulated depreciation	-	-	-	25,312	-	-	-	-	-	-	25,312
	-	-	-	(5,009)	-	-	-	-	-	-	(5,009)
Depreciation charge	-	(8,016)	(42,326)	(14,295)	(2,827)	(464)	(429)	(6,932)	(187)	(7)	(75,483)
Closing net book value	286,360	7,552	186,358	89,279	8,266	897	3,387	26,445	203	18	608,765
At 30 June 2024											
Cost / revalued amount	286,360	98,300	637,423	176,354	32,020	13,200	13,773	46,845	11,723	1,058	1,317,056
Accumulated depreciation	-	(90,748)	(451,065)	(87,075)	(23,754)	(12,303)	(10,386)	(20,400)	(11,520)	(1,040)	(708,291)
Net book value	286,360	7,552	186,358	89,279	8,266	897	3,387	26,445	203	18	608,765
Annual rate of depreciation (%)	-	5, 10	10, 15	10, 20	10	10, 12	10	20	50	10, 25, 50	

15.1 The book value of freehold land on cost basis is Rupees 3.972 million (2023: Rupees 93.209 million).

15.2 Forced sale value of freehold land as per last revaluation was Rupees 243.406 million.

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

	2024	2023
	(RUPEES IN THOUSAND)	
Cost of sales (Note 31)	**31,274**	77,517
Administrative expenses (Note 33)	**7,346**	5,619
Discontinued Operations	**36,863**	-
	75,483	83,136

15.4 Particulars of immovable properties (i.e. land and buildings) are as follows:

Particulars	Location	Area of land	Covered Area of building
		Acers	Sq.ft.
Manufacturing facility of Spinning and Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab48.33	44.74	381 863

		2024	2023
		(RUPEES IN THOUSAND)	
16.	**INVESTMENT PROPERTIES**		
	Freehold land and buildings (Note 16.1)	**253,000**	545,263
	Advance against purchase of investment property (Note 16.2)	**112,281**	104,828
		365,281	650,091
16.1	**Freehold land and buildings**		
	Balance as on 01 July	**545,263**	496,171
	Add: Fair value gain during the year	**-**	49,092
	Less: Classified as non-current assets held for sale (Note 29)	**(292,263)**	-
	Balance as on 30 June	**253,000**	545,263

16.1.1 The fair value of investment property of Subsidiary Company comprising freehold land of 46 Kanals at Moaza Hadiyara, Tehsil Lahore Cantt, District Lahore, Punjab, has been determined on 29 June 2024 by Messrs Sadruddin Associates (Private) Limited, an independent valuer. There was no gain / (loss) during the year on the basis of report provided by the valuer. Moreover no expenses directly related to investment properties were incurred during the year. Forced sale value of this investment property as on the reporting date is Rupees 202.400 million.

16.2 Advance against purchase of investment property

Previously as per the resolution by circulation of the Subsidiary Company's Board of Directors on 14 January 2022, it was decided to invest in 66 666 shares of a company, Paymentsfusion (Private) Limited (PPL) for undertaking a country club / farm house project. Full amount against these shares of Rupees 80 million was paid to PPL. However, due to delay in the issuance of shares, the Subsidiary Company in consent with PPL decided to acquire 33% of the land already purchased by PPL at Deh Bhanero, Tapo Babra, Tehsil Mirpur Sakro, District Thatta, Sindh. Out of total area, the share of the Subsidiary Company is almost 40 Acres. Sale deed has been signed between the Subsidiary Company and PPL on 05 May 2023 and Rupees 32.281 million have been further transferred to PPL uptill 30 June 2024. However the transaction is yet to be finalized and will be completed in the next financial year.

17. INVESTMENTS IN EQUITY ACCOUNTED ASSOCIATES

17.1 Reconciliation of investments in associates under equity method:

	Jubilee Spinning & Weaving Milss Limited		Premier Insurance Limited		Total	
	2024	2023	2024	2023	2024	2023
	(RUPEES IN THOUSAND)					
Cost	**427**	427	**75**	75	**502**	502
Share of post acquisition reserves:						
As at 01 July	**2,947**	2,216	**(75)**	882	**2,872**	3,098
Share of profit / (loss) after income tax	**608**	642	**48**	(957)	**656**	(315)
Share of other comprehensive income	**62**	89	**504**	-	**566**	89
Dividend received	**670**	731	**552**	(957)	**1,222**	(226)
As at 30 June	**3,617**	2,947	**477**	(75)	**4,094**	2,872
Less: Investment disposed off during the year	**(4,044)**	-	**-**	-	**(4,044)**	-
	-	3,374	**552**	-	**552**	3,374

17.2 Summarized statement of financial position

	Jubilee Spinning & Weaving Milss Limited		Premier Insurance Limited	
	As at 30 June 2023	As at 30 June 2022	As at 31 December 2023	As at 31 December 2022
	(RUPEES IN THOUSAND)			
Current assets	**144,755**	139,616	**1,060,433**	1,404,831
Non-current assets	**849,033**	775,401	**1,555,428**	1,439,095
Total assets	**993,788**	915,017	**2,615,861**	2,843,926
Current liabilities	**178,550**	177,032	**1,657,576**	1,972,799
Non-current liabilities	**12,947**	14,604	**10,889**	15,714
Total liabilities	**191,497**	191,636	**1,668,465**	1,988,513
Net assets	**802,291**	723,381	**947,396**	855,413
Reconciliation to carrying amounts:				
Opening balance	**723,381**	673,310	**855,413**	1,332,383
Profit / (loss) after income tax	**71,614**	43,985	**7,938**	(190,265)
Other comprehensive income / (loss)	**7,296**	6,086	**84,045**	(286,705)
Closing balance	**802,291**	723,381	**947,396**	855,413
Group's share (%)	**Nil**	1.46%	**0.60%**	0.60%
Carrying amount	**-**	3,374	**552**	-

17.3 Summarized statement of comprehensive income

Revenue	**5,338**	4,960	**314,859**	288,183
Profit / (loss) for the year	**71,614**	43,985	**7,938**	(190,265)
Other comprehensive income / (loss) for the year	**7,296**	6,086	**84,045**	(286,705)
Total comprehensive income / (loss)	**78,910**	50,071	**91,983**	(476,970)

17.4 All companies are associated companies due to common directorship.

17.5 Interests in equity accounted associates

Name of associated company	Country of incorporation	% of ownership interest		Measurement method	Quoted fair value		Carrying amount	
		2024	2023		2024	2023	2024	2023
					(RUPEES IN THOUSAND)			
Jubilee Spinning and Weaving Mills Limited (Note 17.5.1)	Pakistan	**0.00%**	1.46%	Equity method	**-**	1,228	**-**	3,374
Premier Insurance Limited (Note 17.5.2)	Pakistan	**0.60%**	0.60%	Equity method	**1,790**	1,517	**552**	-

17.5.1 Jubilee Spinning and Weaving Mills Limited is engaged in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The Company also operates electric power generation facilities.

17.5.2 Premier Insurance Limited is engaged in general insurance business.

		2024	2023
		(RUPEES IN THOUSAND)	
18.	**OTHER LONG TERM INVESTMENTS**		
	At fair value through other comprehensive income (Note 18.1)	**5,181**	3,891

		2024	2023
18.1	**At fair value through other comprehensive income**		
	Holding Company		
	Quoted		
	Crescent Jute Products Limited 201 933 (2023: 201 933) ordinary shares of Rupees 10 each fully paid. Equity held 0.85% (2023: 0.85%)	**-**	-
	Crescent Fibers Limited 71 820 (2023: 71 820) ordinary shares of Rupees 10 each fully paid. Equity held 0.58% (2023: 0.58%)	**615**	615
	Security Papers Limited 522 (2023: 522) ordinary shares of Rupees 10 each fully paid.	**1**	1
	Unquoted		
	Crescent Modaraba Management Company Limited 119 480 (2023: 119 480) ordinary shares of Rupees 10 each fully paid. Equity held 6.52% (2023: 6.52%)	**285**	285
	Crescent Bahuman Limited 1 043 988 (2023: 1 043 988) ordinary shares of Rupees 10 each fully paid. Equity held 0.77% (2023: 0.77%)	**-**	-
	Crescent Spinning Mills Limited 696 000 (2023: 696 000) ordinary shares of Rupees 10 each fully paid. Equity held 4.59% (2023: 4.59%)	**-**	-
	Premier Financial Services (Private) Limited 2 500 (2023: 2 500) ordinary shares of Rupees 1,000 each fully paid. Equity held 11.11% (2023: 11.11%)	**873**	873
		1,774	1,774
	Add: Fair value adjustment	**3,407**	2,171
		5,181	3,891

	2024	2023
	(RUPEES IN THOUSAND)	

19. LONG TERM ADVANCES

Considered good:		
Employees	**124**	**430**
Less: Current portion shown under current assets (Note 24)	**124**	**306**
	-	**124**

19.1 These represent interest free loans given to employees other than executives for meeting their personal expenditure and are secured against balances to the credit of employees in the retirement benefit. These are recoverable in equal monthly installments.

19.2 The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.

20. DEFERRED INCOME TAX ASSET

Taxable temporary difference		
Accelerated tax depreciation	**(107,895)**	(94,871)
Deductible temporary differences		
Unused tax losses and minimum tax	**114,860**	100,878
Provision for GIDC	**-**	14,957
Staff retirement gratuity	**41,944**	24,782
Investments in associates	**83**	506
Provision for doubtful receivables	**5,581**	6,322
	162,468	147,445
	54,573	52,574

20.1 Movement in deferred income tax asset balance is as follows:

	2024	2023
	(RUPEES IN THOUSAND)	
Opening balance	**52,574**	40,302
Add / (less):		
- accelerated tax depreciation	**(13,024)**	13,410
- staff retirement gratuity	**17,162**	(19,965)
- provision for GIDC	**(14,957)**	(2,111)
- deferred income - Government grant	**-**	(82)
- provision for doubtful receivables	**(741)**	864
- fair value reserve of investments	**-**	6,255
- investment in associates	**(423)**	(34)
- unused tax losses and minimum tax	**13,982**	13,935
Net movement of temporary differences (Note 20.1.1)	**1,999**	12,272
Closing balance	**54,573**	52,574

20.1.1

Charged to the consolidated statement of profit or loss:

	2024	2023
Net movement of temporary differences (Note 20.1)	**(1,999)**	(12,272)
Recognised in statement of other comprehensive income:		
- experience adjustment on staff retirement gratuity	**6,871**	(3,677)
- unrealized gain on investments at FVTOCI	**-**	6,255
	6,871	2,578
Charged to the consolidated statement of profit or loss	**4,872**	(9,694)

20.1.2 Deductible temporary differences are considered to the extent that the realization of related tax benefits is probable from reversals of existing taxable temporary differences and future taxable profits.

20.1.3 Tax losses available for carry forward as at 30 June 2024 are of Rupees 154.806 million representing unabsorbed tax depreciation (2023: Rupees 116.012 million). Total minimum tax available for carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 June 2024 is of Rupees 280.105 million, while deferred income tax asset is recognized on minimum tax to the extent of Rupees 69.966 million.

20.1.4 The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	RUPEES IN THOUSAND	
2024	64,400	2027
2023	63,215	2026
2022	54,759	2025
2021	20,483	2026
2020	77,248	2025
	280,105	

21. STORES, SPARE PARTS AND LOOSE TOOLS

	2024	2023
	(RUPEES IN THOUSAND)	
Stores	**19,719**	27,001
Spare parts	**73,518**	45,297
Loose tools	**299**	259
	93,536	72,557

22. STOCK-IN-TRADE

Raw materials (Note 22.1 and Note 22.2)	**225,101**	258,609
Work-in-process	**112,487**	66,011
Finished goods (Note 22.3)	**228,376**	336,079
Waste	**721**	4,927
	566,685	665,626

22.1 Raw materials include stock in transit of Rupees Nil (2023: Rupees 14.512 million).

22.2 These include stock of Rupees 22.880 million (2023: Rupees 48.478 million) sent to outside parties for conversion.

22.3 These include stock of Rupees 30.300 million (2023: Rupees 35.377 million) sent to outside parties for processing.

22.4 Stock-in-trade of Rupees Nil (2023: Rupees 4.927 million) is being carried at net realizable value.

23. TRADE DEBTS

Considered good:

Unsecured	**493,043**	**482,069**
Less: Allowance for expected credit lossess (Note 23.3)	**2,732**	**4,616**
	490,311	**477,453**

23.1 Trade debts in respect of foreign and local jurisdictions are as follows:

Czech Republic	**120,349**	-
Ghana	**23,992**	64,459
Pakistan	**191,017**	269,219
Spain	**-**	33,368
United Kingdom	**149,754**	92,870
United States of America	**3,413**	17,537
Canada	**1,786**	-
	490,311	477,453

23.2 Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 15 to 60 days from delivery in case of local sales, and 30 to 120 days in case of export sales.

		2024	2023
		(RUPEES IN THOUSAND)	
23.3	**Allowance for expected credit losses**		
	Balance as on 01 July	**4,616**	5,072
	Add: Recognized during the year (Note 34)	**2,589**	-
		7,205	5,072
	Recovered during the year (Note 35)	**(4,473)**	(456)
	As at 30 June	**2,732**	4,616

		2024	2023
24.	**LOANS, ADVANCES AND PREPAYMENTS**		
	Considered good:		
	Employees - interest free:		
	Against expenses		
	- Executive (Note 24.1)	**-**	2,950
	- Other employees	**3,095**	5,311
		3,095	8,261
	Against salary		
	- Other employees	**727**	882
		3,822	9,143
	Current portion of long term advances (Note 19)	**124**	306
	Advances to suppliers / service providers	**68,477**	51,390
	Letters of credit	**1,190**	26
	Prepayments	**3,461**	2,620
		77,074	63,485
	Less: Provision for doubtful loans and advances (Note 24.2)	**4,544**	5,216
		72,530	58,269

24.1 This amount was paid to the Chief Executive Officer of the Subsidiary Company against expenses. The balance was fully adjusted during the year. This advance was unsecured and not past due. Maximum aggregate balance at the end of any month during the year was Rupees 2.950 million (2023: Rupees 5.197 million).

		2024	2023
24.2	**Provision for doubtful loans and advances**		
	Balance as at 01 July	**5,216**	2,975
	Add: Recognized during the year	**-**	2,241
		5,216	5,216
	Less: Reversal of provision for doubtful loans and advances (Note 35)	**(672)**	
	As at 30 June	**4,544**	5,216

25. SHORT TERM DEPOSITS AND OTHER RECEIVABLES

	2024	2023
	(RUPEES IN THOUSAND)	
Considered good:		
Deposits	**3,007**	2,796
Sales tax and excise duty refundable	**794,835**	515,928
Profit on deposits with banks receivable	**2,855**	2,917
Export rebate	**12,905**	7,507
Others (Note 25.1 and 25.2)	**66,367**	64,365
	879,969	593,513
Less: Allowance for doubtful other receivables (Note 25.3)	**11,968**	11,968
	868,001	581,545

25.1 These include Rupees 0.363 million (2023: Rupees Nil) due from Riaz and Company (1962, Private) Limited, a related party, which is past due but not impaired. The ageing analysis is as follows:

	2024	2023
Within 1 to 6 months	**363**	-

25.2 The maximum aggregate amount receivable from the related party at the end of any month during the year was Rupees 0.363 million (2023: Rupees Nil).

25.3 Provision for doubtful other receivables

	2024	2023
Balance as at 01 July	**11,968**	11,760
Add: Recognized during the year	**-**	208
As at 30 June	**11,968**	11,968

26. ADVANCE INCOME TAX AND PREPAID LEVY - NET

	2024	2023
Advance income tax - net		
Advance income tax	**222,079**	244,556
Less: Provision for taxation	**(12,220)**	(14,225)
	209,859	230,331
Levy payable - net		
Less: Levy payable (Note 26.1)	**(75,531)**	(71,996)
Prepaid levy	**11,130**	8,781
	(64,401)	(63,215)
	145,458	167,116

26.1 This amount includes levy related to continuing operations is as follows:

Levy

	2024	2023
- Levy for the year	**53,522**	71,996
- Prior year	**(346)**	-
	53,176	71,995

27. SHORT TERM INVESTMENTS

	2024	2023
At fair value through other comprehensive income (Note 27.1)	**131,811**	131,369
At fair value through profit or loss (Note 27.2)	**1,882**	118
	140,693	131,487

		2024	2023
		(RUPEES IN THOUSAND)	
27.1	**At fair value through other comprehensive income**		
	Quoted		
	Samba Bank Limited 2 579 313 (2023: 2 579 313) ordinary shares of Rupees 10 each fully paid. Equity held 0.26% (2023: 0.26%)	**7,091**	7,091
	Crescent Steel and Allied Products Limited 76 (2023: 76) ordinary shares of Rupees 10 each fully paid.	**1**	1
	The Crescent Textile Mills Limited 4 734 863 (2023: 4 734 863) ordinary shares of Rupees 10 each fully paid. Equity held 4.73% (2023: 4.73%)	**90,550**	90,550
	Shakarganj Limited 1 143 693 (2023: 1 143 693) ordinary shares of Rupees 10 each fully paid. Equity held 0.91% (2023: 0.91%)	**40,601**	40,601
		138,243	138,243
	Add: Fair value adjustment	**568**	(6,874)
		138,811	131,369
27.2	**At fair value through profit or loss**		
	Faysal Money Market Fund 14 246.1930 Units (2023: 1 151.6292 Units)	**1,468**	118
	Alfalah Islamic Rozana Amdani Fund 4 144.7473 Units (2023: Nil)	**414**	-
		1,882	118

28. CASH AND BANK BALANCES

	2024	2023
With banks:		
On current accounts	**40,670**	51,075
On PLS account (Note 28.1)	**349**	96
Term Deposit Receipts (TDRs) (Note 28.2)	**102,000**	110,000
	143,019	161,171
Cash in hand	**1,033**	404
	144,052	161,575

28.1 Rate of profit on PLS saving account was 19.75% (2023: 13.50% to 20.50%) per annum.

28.2 These represent term deposit receipts with maturity period of 1 and 3 months and carry profit at the rate of 15.80% to 20.16% (2023: 11.40% to 15.85%) per annum.

	2024	2023
	(RUPEES IN THOUSAND)	

29. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under International Financial Reporting Standard (IFRS) 5 'Non-Current Assets Held for Sale and Discontinued Operations' in their respective categories are summarized hereunder:

(a) Non-current assets classified as held for sale

	2024	2023
Property, plant and equipment - Head Office (Note 29.1)	**4,795,120**	-
Property, plant and equipment - Spinning Unit 4 (Note 29.2)	**477,833**	-
	5,272,953	-

(b) Non-current liabilities directly associated with assets classified as held for sale

	2024	2023
Non-current liabilities - Spinning Unit 4 (Note 29.2)	**30,474**	-

(c) Analysis of the result of discontinued operation

	2024	2023
Loss after taxation from discontinued operation - Spinning Unit 4 (Note 29.2)	**(25,963)**	-
Cash flows of discontinued operation - Spinning Unit 4	**(750)**	-

A breakup of the constituents of non-current assets held for sale and discontinued operations is given as follows:

29.1 Property, plant and equipment - Head office

Property, plant and equipment related to Head Office has been presented as held for sale following the approval of the management of the Holding Company and its shareholders in EOGM held on 13 March 2024 regarding the disposal of land and building alongwith investment properties related to the land of Head Office of the Holding Company situated at New Lahore Road, Nishatabad, Faisalabad, Punjab. The Holding Company is in process to take all necessary steps including negotiation as may be necessary for the completion of the transaction. The management is hopeful of completing the sale transactions during the next financial year.

Non-current assets classified as held for sale

The carrying amounts of non-current assets of the Head Office classified as held for sale during the year are as follows:
Transferred from property, plant and equipment during the year

	2024	2023
	(RUPEES IN THOUSAND)	
Freehold land	**4,501,907**	-
Building	**950**	-
	4,502,857	-
Transferred from investment properties (Note 16)	**292,263**	-
Carrying value of non-current assets held for sale as at 30 June	**4,795,120**	-

29.2 Property, plant and equipment - Spinning Unit 4

Following the approval of the management of the Holding Company and its shareholders in EOGM held on 03 June 2024 regarding the disposal of plant and machinery and related equipment of Spinning Unit 4 situated at 45-Km Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur, Punjab. The Holding Company has discontinued its operations of the Spinning Unit 4 and was in process to take all necessary steps including negotiation signing of documents, deeds, papers, agreements and all other documents as may be necessary for the completion of the transaction. Subsequent to the reporting date, the assets sale and purchase agreement between the buyer and the Holding Company has been duly signed on 01 October 2024 for a total of consideration of Rupees 550 million. The associated assets and liabilities consequently presented as held for sale in these consolidated financial statements.

Non-current assets classified as held for sale

The carrying amounts of non-current assets of the Spinning Unit 4 classified as held for sale during the year are as follows:

Transferred from property, plant and equipment during the year

Freehold land	**118,020**	-
Buildings and roads	**72,076**	-
Plant and machinery	**211,489**	-
Stand-by equipment	**51,610**	-
Electric installations	**18,755**	-
Tools and equipment	**3,567**	-
Furniture and fixtures	**743**	-
Vehicles	**1,549**	-
Office equipment	**22**	-
Service equipment	**2**	-
Carrying value of non-current assets held for sale as at 30 June	**477,833**	-

Non-current liabilities directly associated with non-current assets classified as held for sale

The following liabilities are classified as non-current liabilities directly associated with assets classified as held for sale in relation to the discontinued operation as at 30 June 2024:

	2024	2023
	(RUPEES IN THOUSAND)	
Long term financing (Note 8)	**27,347**	-
Staff retirement gratuity (Note 9.1)	**3,127**	-
Total non-current liabilities of directly associated with non-current assets classified as held for sale	**30,474**	-
Analysis of result of discontinued operation		
REVENUE FROM CONTRACTS WITH CUSTOMERS	**1,760,733**	-
COST OF SALES	**(1,703,417)**	-
GROSS PROFIT	**57,316**	-
DISTRIBUTION COST	**(5,881)**	-
ADMINISTRATIVE EXPENSES	**(14,785)**	-
OTHER INCOME	**1,577**	-
FINANCE COST	**(43,594)**	-
LOSS BEFORE TAXATION AND LEVY FROM DISCONTINUED OPERATION	**(5,367)**	-
LEVY	**(22,009)**	
LOSS BEFORE TAXATION FROM DISCONTINUED OPERATION	**(27,376)**	-
TAXATION	**1,413**	-
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION	**(25,963)**	-
Analysis of the cash flows of discontinued operation		
Cash inflows from operating activities	**44,374**	-
Cash inflows from investing activities	**-**	-
Cash outflows from financing activities	**(45,124)**	-
	(750)	-

		2024	2023
		(RUPEES IN THOUSAND)	
30.	**REVENUE FROM CONTRACTS WITH CUSTOMERS**		
	Local sales (Note 30.1)	**2,714,676**	5,948,773
	Export sales (Note 30.2)	**2,105,159**	748,240
	Export rebate	**5,949**	4,415
		4,825,784	6,701,428
30.1	**Local sales**		
	Yarn	**2,775,761**	6,468,610
	Hosiery	**20,908**	13,497
	Home textiles	**23,672**	5,278
	Raw materials	**332,284**	440,473
	Waste	**50,694**	56,005
		3,203,319	6,983,863
	Less: Sales tax	**488,643**	1,035,090
		2,714,676	5,948,773
30.2	**Export sales**		
	Yarn sale to customer having Duty and Tax Remission for Exports (DTREs)	**1,202,396**	171,121
	Hosiery	**139,552**	163,620
	Home textiles	**763,211**	413,499
		2,105,159	748,240

30.3 Sales in respect of foreign and local jurisdictions is as follows:

	2024	2023
Austria	**1,702**	9,497
Czech Republic	**482,965**	71,831
France	**-**	18,721
Ghana	**79,442**	74,836
Italy	**18,594**	65,533
Japan	**-**	5,920
Pakistan	**2,714,676**	5,948,773
Romania	**-**	5,322
Spain	**42,195**	33,518
Switzerland	**9,457**	24,069
United Kingdom	**175,925**	107,999
United States of America	**95,925**	164,288
Canada	**2,507**	-
Others - DTREs	**1,202,396**	171,121
	4,825,784	6,701,428

30.4 The Company has recognized revenue of Rupees 297.189 million (2023: Rupees 80.685 million) from amounts included in contract liabilities at the year end.

30.5 The revenue is recognized at the point in time as per the terms and conditions of underlying contracts with customers.

	2024	2023
	(RUPEES IN THOUSAND)	
31. COST OF SALES		
Raw materials consumed	**1,627,400**	3,660,158
Salaries, wages and other benefits (Note 31.1)	**284,455**	339,611
Stores, spare parts and loose tools consumed	**211,088**	229,284
Fuel and power	**1,355,507**	1,269,993
Outside weaving / processing / stitching charges	**198,225**	143,444
Other manufacturing overheads	**27,322**	26,290
Insurance	**7,814**	11,603
Repair and maintenance	**4,331**	5,332
Depreciation (Note 15.3)	**31,274**	77,517
	3,747,416	5,763,232
Work-in-process		
Opening stock	**45,226**	77,012
Closing stock	**(112,487)**	(66,011)
	(67,261)	11,001
Cost of goods manufactured	**3,680,155**	5,774,233
Finished goods		
Opening stock	**289,941**	264,109
Closing stock	**(219,676)**	(341,006)
	70,265	(76,897)
	3,750,420	5,697,336
Cost of goods purchased for resale	**569,506**	509,892
	4,319,926	6,207,228

31.1 Salaries, wages and other benefits include staff retirement benefit amounting to Rupees 25.805 million (2023: Rupees 33.444 million).

	2024	2023
32. DISTRIBUTION COST		
Freight and forwarding	**40,854**	36,159
Commission to selling agents	**10,777**	15,454
Insurance	**715**	773
Loading and handling	**12,562**	8,070
Others	**2,042**	1,251
	66,950	61,707

33. ADMINISTRATIVE EXPENSES

	2024	2023
	(RUPEES IN THOUSAND)	
Salaries and other benefits (Note 33.1)	**167,856**	170,080
Workers' welfare	**3,003**	3,796
Traveling and conveyance	**6,392**	4,714
Insurance	**3,397**	2,819
Rent, rates and taxes (Note 33.2)	**8,509**	7,046
Entertainment	**3,900**	3,592
Fee and subscription	**2,949**	3,044
Communication	**2,973**	3,158
Vehicles' running	**25,784**	28,439
Repair and maintenance	**12,905**	10,854
Utilities	**8,885**	7,268
Printing and stationery	**2,531**	2,431
Books and periodicals	**7**	17
Advertisement	**137**	92
Auditor's remuneration:		
Statutory audit - standalone	**1,925**	1,800
Statutory audit - consolidation	**300**	200
Other certifications including half yearly review	**500**	460
Out of pocket expenses	**60**	60
	2,785	2,520
Legal and professional	**2,902**	2,147
Miscellaneous	**8,024**	4,308
Depreciation (Note 15.3)	**7,346**	5,619
	270,285	261,944

33.1 Salaries and other benefits include staff retirement benefit amounting to Rupees 15.971 million (2023: Rupees 19.931 million).

33.2 These include Rupees 3.535 million (2023: Rupees 3.214 million) in respect of short term leases.

34. OTHER EXPENSES

	2024	2023
Donations (Note 34.1)	**-**	1,000
Workers' profit participation fund (Note 10.5)	**6,866**	6,613
Exchange loss	**5,292**	-
Allowance for expected credit losses (Note 23.2)	**2,589**	-
Provision for doubtful loans and advances	**-**	2,241
Provision for doubtful other receivables	**-**	208
Workers' welfare fund (Note 10.6)	**2,882**	3,815
Trade debts written off	**20**	-
	17,649	13,877

		2024	2023
		(RUPEES IN THOUSAND)	
34.1	There is no interest of any director or his / her spouse in donees' fund.		
35.	**OTHER INCOME**		
	Income from financial assets		
	Net exchange gain	-	51,218
	Reversal of allowance for expected credit losses (Note 23.3)	4,473	456
	Reversal of provision for doubtful loans and advances (Note 24.2)	672	-
	Profit on PLS account and TDRs	23,179	17,194
	Gain on sale of investment at FVTPL	479	918
	Dividend income (Note 35.1)	5,420	5,875
		34,223	75,661
	Income from non-financial assets		
	Rental income	40,250	36,720
	Scrap sales	1,954	1,252
	Gain on sale of property, plant and equipment	3,291	3,237
	Amortization of deferred grant	-	298
	Others	-	111
	Credit balances added back	54	15,659
	Gain on sale of investment in equity accounted associate	5,627	-
	Gain on remeasurement of fair value of investment properties	-	49,092
		51,176	106,369
		85,399	182,030
35.1	**Dividend income**		
	The Crescent Textile Mills Limited	4,735	4,735
	Security Papers Limited	7	5
	Faysal Money Market Fund	678	1,135
		5,420	5,875
36.	**FINANCE COST**		
	Mark-up / interest on:		
	Long term financing	2,187	23,075
	Short term borrowings	75,538	81,587
	Workers' profit participation fund	624	1,175
	Unwinding of discount on GIDC payable	-	58
	Bank charges and commission	5,970	4,433
		84,319	110,328

37. TAXATION

	2024	2023
	(RUPEES IN THOUSAND)	
Current:		
For the year	**11,270**	14,225
Prior year	**(558)**	868
	10,712	15,093
Deferred	**6,285**	(9,694)
	16,997	5,399

37.1 The Company falls under the ambit of section 113 of the Income Tax Ordinance, 2001 and therefore minimum tax is being accounted for. This tax along with final tax on exports and dividend under relevant provisions of the Ordinance has been shown as levy payable in Note 26 to the consolidated financial statements. Accordingly the reconciliation between accounting profit before tax and tax expense has not been presented in these consolidated financial statements.

38. EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share which is based on:

		2024	2023
Continuing operations			
Profit attributable to ordinary shareholders of the Holding Company	(Rupees in thousand)	82,537	138,401
Weighted average number of ordinary shares of the Holding Company	(Numbers)	22 660 126	22 660 126
Earnings per share	(Rupees)	3.64	6.11
Discontinued operation			
Loss for the year after taxation	(Rupees in thousand)	(25,963)	-
Weighted average number of ordinary shares	(Numbers)	22 660 126	-
Loss per share	(Rupees)	(1.15)	-

	2024	2023
	(RUPEES IN THOUSAND)	

39. CASH GENERATED FROM OPERATIONS

	2024	2023
Profit before taxation	**147,343**	228,059
Adjustments for non cash charges and other items:		
Depreciation (Note 15.3)	**75,483**	83,136
Provision for staff retirement gratuity (Note 9.3)	**42,898**	53,375
Gain on sale of property, plant and equipment (Note 35)	**(3,291)**	(3,237)
Gain on remeasurement of fair value of investment properties	**-**	(49,092)
Profit on PLS account and TDRs (Note 35)	**(23,179)**	(17,194)
Provision for doubtful other receivables	**-**	208
Gain on sale of investment at fair value through profit or loss (Note 33)	**(479)**	(918)
Share of (gain) / loss from equity accounted associates (Note 17.1)	**(656)**	315
Exchange loss	**4,018**	-
Gain on sale of investment in equity accounted associate	**(5,627)**	-
Reversal of allowance for expected credit losses - net	**(1,884)**	(456)
(Reversal of provision) / provision for doubtful loans and advances	**(672)**	2,241
Trade debts written off (Note 34)	**20**	-
Amortization of deferred grant	**-**	(298)
Credit balances added back (Note 35)	**(54)**	(15,659)
Finance cost	**127,913**	110,328
Working capital changes (Note 39.1)	**(260,745)**	172,447
	101,088	563,255

39.1 Working capital changes

	2024	2023
Decrease / (increase) in current assets		
Stores, spare parts and loose tools	**(20,979)**	2,425
Stock-in-trade	**98,941**	30,021
Trade debts	**(14,340)**	36,768
Loans, advances and prepayments	**(14,261)**	(8,506)
Short term deposits and other receivables	**(286,518)**	(235,826)
	(237,157)	(175,118)
Increase in trade and other payables	**(23,588)**	347,565
	(260,745)	172,447

39.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2024			
	Long term financing	Short term financing	Unclaimed dividend	Total
	(RUPEES IN THOUSAND)			
Balance as at 01 July	**115,261**	**560,605**	**4,177**	**680,043**
Short term borrowings - net	**-**	**137,682**	**-**	**137,682**
Repayment of financing	**(56,497)**	**-**	**-**	**(56,497)**
Balance as at 30 June	**58,764**	**698,287**	**4,177**	**761,228**

	2023			
	Long term financing	Short term financing	Unclaimed dividend	Total
	(RUPEES IN THOUSAND)			
Balance as at 01 July	202,671	679,053	3,970	885,694
Other charges - non-cash movement	298	-	-	298
Short term borrowings - net	-	(118,448)	-	(118,448)
Repayment of financing	(87,708)	-	-	(87,708)
Dividend declared	-	-	16,995	16,995
Dividend paid	-	-	(16,788)	(16,788)
Balance as at 30 June	115,261	560,605	4,177	680,043

40. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise associated companies, other related parties and key management personnel. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these consolidated financial statements is as follows:

Name of Company	Basis of relationship	Nature of transaction	2024 (RUPEES IN THOUSAND)	2023 (RUPEES IN THOUSAND)
Associated companies				
Premier Insurance Limited	Common directorship	Insurance premium	**15,289**	15,792
		Dividend paid	**-**	159
Riaz and Company (1962, Private) Limited	Common directorship	Expenses paid on behalf of associated company	**448**	449
Bridgeline Global Logistics (Private) Limited	Common directorship	Transportation services received	**2,846**	6,018
Other related parties				
Directors and executives	Members of Board of Directors, their relatives and key management personnel	Loan received / (paid) - net	**9,581**	19,060
		Dividend paid	**-**	8,812
Chief Executive Officer of the Subsidiary Company	Members of Board of Directors of Subsidiary Company	Advance adjusted	**2,950**	2,247

40.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, directors and executives is given in Note 41.

41. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these consolidated financial statements for remuneration including all benefits to Chief Executive Officer, directors and executives of the Holding Company is as follows:

	Chief Executive Officer		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	---(RUPEES IN THOUSAND)---					
Managerial remuneration	**9,018**	8,254	**6,002**	5,501	**38,230**	34,821
Allowances:						
Housing	**4,058**	3,714	**2,701**	2,476	**15,069**	15,709
Utilities	**902**	825	**600**	550	**4,061**	3,522
Group insurance	**-**	-	**6**	6	**33**	33
Reimbursable expenses	**902**	825	**600**	550	**3,452**	3,386
	14,880	13,618	**9,909**	9,083	**60,845**	57,471
Number of persons	**1**	1	**1**	1	**10**	10

41.1 Aggregate amount charged in the consolidated financial statements for meeting fee to five directors (2023: five directors) was Rupees 580,000 (2023: Rupees 640,000).

41.2 The Chief Executive Officer, director and executives of the Holding Company are provided with Holding Company maintained vehicles.

41.3 Apart from the meeting fee as disclosed in Note 41.1, no remuneration was paid to non-executive directors of the Holding Company.

42. NUMBER OF EMPLOYEES

	2024	2023
	(NUMBER OF PERSONS)	
Number of employees as on 30 June	**672**	1 160
Average number of employees during the year	**1,198**	1 125

43. ENTITY - WIDE INFORMATION

The Group constitutes a single reportable segment. All non-current assets of the Group as at reporting dates are located and operating in Pakistan. The Group's is earned from four major customers (2023: Nil) of the Company representing revenue of Rupees 2,959.188 million (2023: Rupees Nil).

44. INTERESTS IN OTHER ENTITIES

Non-Controlling Interest (NCI)

Set out below is summarized financial information for Crescot Mills Limited - Subsidiary Company that has non-controlling interest which is material to the Group. The amount disclosed for Subsidiary Company is before inter-company eliminations.

	2024	2023
Summarized statement of financial position	**(RUPEES IN THOUSAND)**	
Current assets	**165,134**	161,252
Current liabilities	**(11,347)**	(9,044)
Net current assets	**153,787**	152,208
Non-current assets	**387,933**	385,418
Non-current liabilities	**(6,795)**	(2,489)
Net non-current assets	**381,138**	382,929
Net assets	**534,925**	535,137
Accumulated non-controlling interest	**181,072**	181,144
Summarized statement of comprehensive income		
Revenue	**441,459**	482,937
Profit for the year	**35**	36,228
Other comprehensive income	**(247)**	119
Total comprehensive income	**(212)**	36,347
Profit allocated to non-controlling interest	**12**	12,263
Total comprehensive income allocated to non-controlling interest	**(72)**	12,303
Summarized cash flows		
Cash flows (used in) / generated from operating activities	**(2,464)**	2,418
Cash flows from / (used in) investing activities	**14,150**	(9,568)
Cash flows from financing activities	**-**	-
Net increase / (decrease) in cash and cash equivalents	**11,686**	(7,150)

45. PLANT CAPACITY AND ACTUAL PRODUCTION

Holding Company - Crescent Cotton Mills Limited		**2023**	**2022**
Spinning:			
100% plant capacity converted to 20s count	Kgs.	**10 692 111**	15 537 655
Actual production converted to 20s count	Kgs.	**9 586 874**	13 010 169

Hosiery and Home Textiles:

Capacity of such units cannot be determined due to nature of their operations.

45.1 Reason For Low Production

The capacity for the current year was decreased because the operations of the Spinning Unit No. 4 has been discontinued following the approval as mentioned in Note 98 to these consolidated financial statements. Moreover the variation in planned production of yarn counts also changed the capacity. The reasons for low production include normal repair and maintenance and power shut down / jerks.

46. FINANCIAL RISK MANAGEMENT

46.1 Financial risk factors

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

Risk management is carried out by the Holding Company's finance department under policies approved by the Board of Directors. The Board of each Group company 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, investment of excess liquidity and use of non-derivative financial instruments.

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.

The Group's exposure to currency risk was as follows:

	2023	2022
Trade debts - USD	**350,486**	402,523
Trade debts - GBP	**574,439**	254,598

Following significant exchange rates were applied during the year:

Rupees per US Dollar		
Average rate	**284.67**	249.48
Reporting date rate	**278.30**	286.60
Rupees per GBP		
Average rate	**356.23**	294.50
Reporting date rate	**351.22**	364.77

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD and GBP with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 13.917 million (2023: Rupees 9.596 million) higher / lower, 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 Group is not exposed to commodity price risk since it does not hold any financial instrument based on commodity prices.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) index on the Group's other comprehensive income (fair value reserve) for the year. 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 Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2024	2023
	(RUPEES IN THOUSAND)	
PSX 100 (5% increase)	**7,200**	6,857
PSX 100 (5% decrease)	**(7,200)**	(6,857)

Equity (fair value reserve) would increase / (decrease) as a result of gain / losses on equity instruments classified as fair value through other comprehensive income.

(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 Group's interest rate risk mainly arises from long term financing, short term borrowings, PLS account in bank and TDRs. Financial instruments at variable rates expose the Group to cash flow interest rate risk. Financial instruments at fixed rate expose the Group to fair value interest rate risk.

At the reporting date, the interest rate profile of the Group’s interest bearing financial instruments was:

	2024	2023
	(RUPEES IN THOUSAND)	
Fixed rate instruments		
Financial assets		
Term deposit receipts	**102,000**	110,000
Financial liabilities		
Long term financing	**31,417**	42,790
Floating rate instruments		
Financial assets		
Bank balance - PLS deposit account	**349**	96
Financial liabilities		
Long term financing	**27,347**	72,471
Short term borrowings	**387,889**	259,788

Fair value sensitivity analysis for fixed rate instruments

The Group 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 reporting date would not affect profit or loss of the Group.

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 3.865 million (2023: Rupees 3.092 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate financial instruments. This analysis is prepared assuming that amounts of financial instruments outstanding at reporting dates 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:

	2024	2023
	(RUPEES IN THOUSAND)	
Investments	**145,874**	**135,378**
Loans and advances	**851**	**1,312**
Deposits	**6,912**	**6,701**
Trade debts	**490,311**	**477,453**
Other receivables	**54,399**	**54,423**
Bank balances	**143,019**	**161,171**
	841,366	**836,438**

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer’s financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

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:

	Rating			2024	2023
	Short Term	Long Term	Agency	(RUPEES IN THOUSAND)	
Banks					
National Bank of Pakistan	A1+	AAA	PACRA	**2,090**	2,360
Allied Bank Limited	A1+	AAA	PACRA	**154**	101
Bank Alfalah Limited	A1+	AAA	PACRA	**1,164**	515
Habib Bank Limited	A-1+	AAA	VIS	**6,356**	14,351
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**1,411**	3,474
MCB Bank Limited	A1+	AAA	PACRA	**66**	375
United Bank Limited	A-1+	AAA	VIS	**2,728**	6,558
Askari Bank Limited	A1+	AA+	PACRA	**2,244**	241
Bank AL Habib Limited	A1+	AAA	PACRA	**467**	1,187
The Bank of Punjab	A1+	AA+	PACRA	**1,302**	5,444
JS Bank Limited	A1+	AA-	PACRA	**111,826**	111,027
Faysal Bank Limited	A1+	AA	PACRA	**1,115**	1,708
Sindh Bank Limited	A-1+	AA-	VIS	**91**	214
Meezan Bank Limited	A-1+	AAA	VIS	**11,970**	13,581
MCB Islamic Bank Limited	A1	A+	PACRA	**35**	35
				143,019	161,171

The Group's exposure to credit risk and allowances for expected credit losses related to trade debts is disclosed in Note 23.

Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Group. Accordingly the credit risk is minimal.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Group's exposure to credit risk and allowance for expected credit losses related to trade debts is as follows:

	GROSS AMOUNT		EXPECTED CREDIT LOSSES	
	2024	2023	2024	2023
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Not past due	**99,101**	330,913	**-**	-
Upto 1 month	**162,951**	79,278	**-**	-
1 to 6 months	**108,579**	46,169	**-**	-
6 months to 1 year	**119,680**	21,093	**-**	-
More than 1 year	**2,732**	4,616	**2,732**	4,616
	493,043	482,069	**2,732**	4,616

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2023, the Company had Rupees 562.111 million (2023: Rupees 790.212 million) available borrowing limits from financial institutions and Rupees 144.052 million (2023: Rupees 161.575 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	RUPEES IN THOUSAND					
Contractual maturities of financial liabilities as at 30 June 2024:						
Non-derivative financial liabilities:						
Long term financing	**58,764**	**62,711**	**15,172**	**14,998**	**24,531**	**8,010**
Trade and other payables	**855,940**	**855,940**	**855,940**	**-**	**-**	**-**
Unclaimed dividend	**4,177**	**4,177**	**4,177**	**-**	**-**	**-**
Accrued mark-up	**24,391**	**24,391**	**24,391**	**-**	**-**	**-**
Short term borrowings	**698,287**	**735,440**	**735,440**	**-**	**-**	**-**
	1,641,559	**1,682,659**	**1,635,120**	**14,998**	**24,531**	**8,010**

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	RUPEES IN THOUSAND					
Contractual maturities of financial liabilities as at 30 June 2023:						
Non-derivative financial liabilities:						
Long term financing	115,261	123,250	36,813	25,796	29,026	31,615
Trade and other payables	795,195	795,195	795,195	-	-	-
Unclaimed dividend	4,177	4,177	4,177	-	-	-
Accrued mark-up	18,541	18,541	18,541	-	-	-
Short term borrowings	560,605	591,133	591,133	-	-	-
	1,493,779	1,532,296	1,445,859	25,796	29,026	31,615

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective at the year end. The rates of interest / mark-up have been disclosed in Note 8 and Note 12 to these consolidated financial statements.

Carrying amount of long term financing as at 30 June 2024 includes overdue installments of principal amounting to Rupees 4.271 million (2023: Rupees 4.271 million).

46.2 Financial instruments by categories

Assets as per consolidated statement of financial position

	2024				2023			
	At amortized cost	At FVTPL	At FVTOCI	Total	At amortized cost	At FVTPL	At FVTOCI	Total
	RUPEES IN THOUSAND							
Investments	**-**	**1,882**	**143,992**	**145,874**	-	118	135,260	135,378
Loans and advances	**851**	**-**	**-**	**851**	1,312	-	-	1,312
Deposits	**6,912**	**-**	**-**	**6,912**	6,701	-	-	6,701
Trade debts	**490,311**	**-**	**-**	**490,311**	477,453	-	-	477,453
Other receivables	**54,399**	**-**	**-**	**54,399**	54,423	-	-	54,423
Cash and bank balances	**144,052**	**-**	**-**	**144,052**	161,575	-	-	161,575
	696,525	**1,882**	**143,992**	**842,399**	701,464	118	135,260	836,842

Liabilities as per consolidated statement of financial position

	2024	2023
	Financial liabilities at amortized cost	
	(RUPEES IN THOUSAND)	
Long term financing	**58,764**	115,261
Accrued mark-up	**24,391**	18,541
Short term borrowings	**698,287**	560,605
Trade and other payables	**855,940**	795,195
Unclaimed dividend	**4,177**	4,177
	1,641,559	1,493,779

46.3 Reconciliation of financial assets and financial liabilities to the line items presented in the consolidated statement of financial position is as follows:

	2024			2023		
	Financial assets	Other than financial assets	Total as per consolidated statement of financial position	Financial assets	Other than financial assets	Total as per consolidated statement of financial position
	RUPEES IN THOUSAND					
Assets as per consolidated statement of financial position						
Long term deposits	**3,905**	**-**	**3,905**	3,905	-	3,905
Long term advances	**-**	**-**	**-**	124	-	124
Loans, advances and prepayments	**851**	**71,679**	**72,530**	1,188	57,081	58,269
Trade debts	**490,311**	**-**	**490,311**	477,143	-	477,143
Short term deposits and other receivables	**54,399**	**813,602**	**868,001**	54,423	527,122	581,545
Cash and bank balances	**144,052**	**-**	**144,052**	161,575	-	161,575
Investments	**145,874**	**552**	**146,426**	135,378	3,374	138,752
	839,392	**885,833**	**1,725,225**	833,736	587,577	1,421,313

	2024			2023		
	Financial liabilities	Other than financial liabilities	Total as per consolidated statement of financial position	Financial liabilities	Other than financial liabilities	Total as per consolidated statement of financial position
	RUPEES IN THOUSAND					
Liabilities as per statement of financial position						
Long term financing	**58,764**	**-**	**58,764**	115,261	-	115,261
Trade and other payables	**855,940**	**360,503**	**1,216,443**	795,195	444,890	1,240,085
Unclaimed dividend	**4,177**	**-**	**4,177**	4,177	-	4,177
Accrued mark-up	**24,391**	**-**	**24,391**	18,541	-	18,541
Short term borrowings	**698,287**	**-**	**698,287**	560,605	-	560,605
	1,641,559	**360,503**	**2,002,062**	1,493,779	444,890	1,938,669

46.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividend 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 Group 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 Group as referred to in Note 8 and Note 12 respectively. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

		2024	2023
Borrowings	Rupees in thousand	**757,051**	675,866
Total equity	Rupees in thousand	**6,685,780**	6,636,729
Total capital employed	Rupees in thousand	**7,442,831**	7,312,595
Gearing ratio	Percentage	**10.17**	9.24

Decrease in gearing ratio resulted primarily from decrease in borrowings of the Group.

47. FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

The judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Financial assets				
At fair value through other comprehensive income	143,119	-	873	143,992
At fair value through profit or loss	1,882	-	-	1,882
Total financial assets	145,001	-	873	145,875

Recurring fair value measurements At 30 June 2023	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Financial assets				
At fair value through other comprehensive income	134,387	-	873	135,260
At fair value through profit or loss	118	-	-	118
Total financial assets	134,505	-	873	135,378

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 Group'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 equity 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 maximize 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.

(ii) Valuation techniques used to determine fair values

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

48. FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgments 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 Group has classified its non-financial assets into the following three levels.

At 30 June 2024	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Investment properties	-	253,000	-	253,000
Freehold land	-	286,360	-	286,360
Total non-financial assets	-	539,360	-	539,360

At 30 June 2023	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Investment properties	-	545,263	-	545,263
Freehold land	-	4,906,287	-	4,906,287
Total non-financial assets	-	5,451,550	-	5,451,550

The Group'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 Group obtains independent valuations for its investment properties and freehold land (classified as property, plant and equipment) annually. 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 of freehold land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new construction / replacement value of the same building.

Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's assets. Changes in fair values are analyzed in discussion between the management and the valuer. As part of this discussion the team presents report which explains the reason for the fair value movements.

49. **DATE OF AUTHORIZATION**

These consolidated financial statements were authorized for issue on October 02, 2024 by the Board of Directors of the Holding Company.

50. **CORRESPONDING FIGURES**

Corresponding figures have been re-arranged and reclassified for better presentation, wherever necessary for the purpose of comparison. However, no significant reclassifications have been made except for as given in note 2.6 to these consolidated financial statements and as follows:

PARTICULARS	RECLASSIFICATION		RUPEES IN THOUSAND
	FROM	TO	
Gas Infrastructure Development Cess (GIDC) Payable	Current portion of non-current liabilities	Trade and other payables	59,017

51. **GENERAL**

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CCML
Crescent Cotton Mills Ltd.

FORM OF PROXY

Annual General Meeting

I/We______________________________________of _______________ a member/members of **Crescent Cotton Mills Limited** and holder of __________ shares as per Folio # ________________ /CDC Participant's ID #_____________________________ and CDC Account # _________________ do hereby appoint ____ of _____________ or failing him/her ____ of ________________ who is also member of the Company vide Folio No. __________________ /CDC Participant's ID #________________ and CDC Account # _______________ as my/our Proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 09:30 a.m. on Monday the October 28, 2024 at the Registered Office of the Company New Lahore Road, Nishatabad, Faisalabad and at any adjournment thereof.

As witness my/our hand this _____________________ day of _______________2024.

_____________________ **Member's Signature**	**Affix revenue stamps of Rs. 50/-**

Witnesses:

Signature: ________________	Signature: ________________
Name: ________________	Name: ________________
CNIC: ________________	CNIC: ________________
Address: ________________	Address: ________________
________________	________________

Notes:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instrument appointing a Proxy, together with the Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office, New Lahore Road, Nishatabad, Faisalabad, not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines:
   i) In case of individuals, the account holder or sub-account holder 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 CNICs 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 a corporate entity, the Board of Directors' resolution/Power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

CCML
Crescent Cotton Mills Ltd.

کریسنٹ کاٹن ملز لمیٹڈ پراکسی فارم (مختارنامہ) برائے سالانہ اجلاسِ عام

میں/ہم ______________________________

بحیثیت رکن کریسنٹ کاٹن ملزلمیٹڈ اور حامل ____________ حصص بمطابق فولیونمبر ____________

سی ڈی سی پارٹیسپیشن (شرکت) آئی ڈی نمبر ____________ اورسی ڈی سی اکاؤنٹ آئی ڈی نمبر ____________

محترم/محترمہ ______________________________

یااس کی غیرموجودگی میں ____________ جوفولیونمبر ____________

سی ڈی سی پارٹیسپیشن (شرکت) آئی ڈی نمبر ____________ اورسی ڈسی اکاؤنٹ نمبر ____________

کے تحت کمپنی کا ممبر ہے۔ کو اپنے/ ہمارے ایماء پر مورخہ 28 اکتوبر 2024ء بروز پیر 9:30 بجے بمقام رجسٹرڈ آفس نشاط آباد فیصل آباد پر منعقد ہونے والے کریسنٹ کاٹن ملزلمیٹڈ کے غیر معمولی اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا/ ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں/کرتے ہیں۔

آج بروز ____________ بتاریخ ____________ 2024ء کو میرے/ ہمارے دستخط سے گواہوں کی تصدیق سے جاری ہوا۔

50/- روپے کا رسیدی ٹکٹ یہاں چسپاں کریں۔	دستخط رکن کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں۔

گواہان

دستخط: ____________	دستخط: ____________
نام: ____________	نام: ____________
پتہ: ____________	پتہ: ____________
____________	____________
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: ____________	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: ____________

نوٹ:

1- اجلاس میں شرکت اور رائے دہی کا مستحق رکن، پراکسی مقرر کرسکتا ہے۔

2- پراکسی اور مختار نامہ یا دیگر اتھارٹی (اگر کوئی ہوں) تقرری کی دستاویز، جس کے تحت یہ دستخط شدہ ہو یا اس مختار نامہ کے نوٹریلی مصدقہ کاپی، کمپنی کے رجسٹرڈ آفس واقع نیو لاہور روڈ نشاط آباد فیصل آباد میں اجلاس منعقد ہونے سے کم از کم 48 گھنٹے قبل جمع کروائے جانا چاہئیں۔

3- سی ڈی سی اکاؤنٹ ہولڈرز کو مندرجہ ذیل گائیڈ لائنز کی پیروی کرنا ہوگی:

i- بصورت افراد، اکاؤنٹ ہولڈر اور/ یا سب اکاؤنٹ ہولڈر جن کے سیکیورٹیز انڈر رجسٹریشن تفصیلات قواعدوضوابط کے مطابق اپ لوڈ ہوں، انہیں درج بالا شرائط کے مطابق پراکسی فارم (مختارنامہ) جمع کرانا ہوں گے۔

ii- پراکسی فارم پر بطور گواہان دو افراد کے دستخط ہونا چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہوں۔

iii- بینیفشل اونرز اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول، پراکسی فارم (مختارنامہ) کے ہمراہ جمع کرانا ہوں گی۔

iv- پراکسی، اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ شناختی کارڈ یا اصل پاسپورٹ مہیا کرے گا/گی۔

v- بصورت کارپوریٹ اینٹٹی، بورڈ کی قرارداد/ مختار نامہ معہ پراکسی ہولڈر کے دستخط (اگر پہلے فراہم نہ کیے گئے ہوں) پراکسی فارم (مختارنامہ) کے ہمراہ کمپنی جمع کرانا ہوگا۔