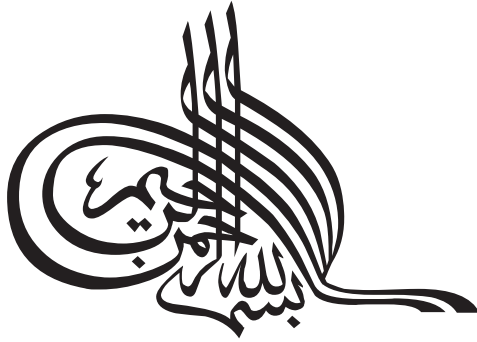




| The Crescent Textile Mills Limited

1st QUARTER  
**SEPTEMBER 30**  
2024



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# COMPANY INFORMATION

<b>Board of Directors</b>		<b>Bankers</b>
Mr. Khalid Bashir	Chairman	Allied Bank Limited
Mr. Ahmad Shafi	Chief Executive Officer	Askari Bank Limited
Mr. Muhammad Anwar	Director	Habib Bank Limited
Mr. Khurram Mazhar Karim	Director	MCB Bank Limited
Mr. Aurangzeb Shafi	Director	MCB Islamic Bank Limited
Mr. Amin Anjum Saleem	Independent Director	National Bank of Pakistan
Mrs. Nazia Maqbool	Independent Director	Pak Libya Holding Company (Private) Limited
		Standard Chartered Bank (Pakistan) Limited
		The Bank of Punjab
		United Bank Limited
<b>Audit Committee</b>		
Mr. Amin Anjum Saleem	Chairman	
Mr. Khalid Bashir	Member	
Mr. Khurram Mazhar Karim	Member	
<b>HR &amp; R Committee</b>		
Mrs. Nazia Maqbool	Chairperson	
Mr. Ahmad Shafi	Member	
Mr. Khurram Mazhar Karim	Member	
<b>Chief Financial Officer</b>		
Mr. Naseer Ahmad Chaudhary		
<b>Company Secretary</b>		<b>Mills &amp; Registered Office</b>
Mr. Naseer Ahmad Chaudhary		Sargodha Road, Faisalabad, Pakistan
<b>Head of Internal Audit</b>		T: + 92-41-111-105-105
Mrs. Sabteela Tosheen		E: crestex@ctm.com.pk
<b>Auditors</b>		
Riaz Ahmad and Company		
Chartered Accountants		
<b>Legal Advisor</b>		
Syed Masroor Ahmad		
<b>Stock Exchange Listing</b>		<b>Share Registrar</b>
The Crescent Textile Mills Limited is a listed Company and its shares are traded on Pakistan Stock Exchange.		CorpTec Associates (Private) Limited, 503 - E, Johar Town, Lahore, Pakistan
The Company's shares are quoted in leading dailies under textile composite sector.		T: +92-42-35170336-37 F: +92-42-35170338 E: info@corpTec.com.pk
		www.crescenttextile.com

# DIRECTORS' REPORT

for the 1st Quarter Ended September 30, 2024

The Board of Directors is pleased to present brief review of the operational and financial performance of the company for the 1st Quarter ended September 30, 2024.

Business faced overall decline in volume due to depressed market conditions prevalent during 1st Quarter FY25. However, prices of export were comparatively better which supported gross margins to improve as against corresponding period's results. Financial performance of the company during the quarter would have depicted much better had there been some respite in cost of semifinished goods used for exports; which remained stable and higher during period under review.

During the quarter other input cost showed decline except power and depreciation due to higher RLNG prices and Capex incurred on new air jet looms installed at Hattar Industrial Estate in KP.

Overall financial performance of the company during the 1st Quarter FY 25 is shown as under:

Rupees in million	1st Qtr Sep 24	%	1st Qtr Sep 23	%	Var	%
Revenue	3,991	100	5,596	100	(1,604)	(29)
Cost of Sales	(3,473)	87	(5,022)	90	(1,548)	(31)
Gross Profit	518	13	574	10	(56)	(10)
Distribution cost	(185)	5	(176)	3	10	5
Admin expenses	(120)	3	(156)	3	(36)	(23)
Other expenses	(3)	0	(12)	0	(9)	(76)
Other income	57	1	15	0	41	275
Finance cost	(380)	10	(388)	7	(8)	(3)
Taxation	(53)	1	(72)	(1)	(19)	28
Loss after tax	(166)	(4)	(214)	(4)	48	(26)

During the Quarter ended September 30, 2024 loss after tax was declined by 26% over the same period last year as company was able to post improved gross margins despite lower sales revenues. There was some relief in finance cost on the back of reduction in Policy Rate by SBP but higher KIBOR rate for basing of following quarter couldn't mitigate this cost substantially. Much improvement in this cost may result in 2nd Quarter of FY25 due to effects of two rate cuts announced by SBP during 1st Quarter FY25.

Future outlook:

Considering gradual improved economic outlook and stable PKR/US\$ parity it is envisaged that company may depict improved performance in coming periods. Besides reduction in finance cost the efforts are underway to control input costs through efficient and improved utilization of capacities and with early realization of GST Refunds will reflect positive impact on future performance of the company.

Acknowledgement:

The Board places on record its appreciation for the management showing improved performance during the 1st Quarter FY25 and thanks for the contribution and services rendered by all stakeholders including vendors, Banks and employees of the company.

for and on behalf of the Directors



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director

## ڈائریکٹرز کی رپورٹ

برائے عرصہ ختمہ 30 ستمبر 2024ء

بورڈ آف ڈائریکٹرز 30 ستمبر 2024ء کو منتخب شدہ سہ ماہی کے لیے مالی کارکردگی پر اپنا مختصر جائزہ آپ کی خدمت میں پیش کرتے ہوئے خوش محسوس کرتا ہے۔

مالی سال 2025 کی پہلی سہ ماہی کے دوران کاروبار کو مجموعی طور پر حجم میں کمی کا سامنا کرنا پڑا جس کی وجہ مارکیٹ کے خراب حالات تھے۔ تاہم، برآمدات کی قیمتیں نسبتاً بہتر تھیں جس نے پچھلے سال کی اسی مدت کے نتائج کے مقابلے میں مجموعی منافع کو بہتر کرنے میں مدد دی۔ کینی کی مالی کارکردگی اس سہ ماہی میں کہیں بہتر ہوئی اگر برآمدات کے لیے استعمال ہونے والے نیم تیار شدہ سامان کی لاگت میں کچھ کمی آتی، جو زیر جائزہ مدت میں مستحکم اور زیادہ رہی۔

سہ ماہی کے دوران توانائی اور فروزہ کی مد میں اضافے کے علاوہ دیگر لائسنسی اخراجات میں کمی دیکھنے میں آئی جو RLNG کی زیادہ قیمتوں اور خریدہ ہتھکنڈوں کے حطار اندر سٹریٹ اسٹیٹ میں نصب ہونے والے نئے ایئر بیٹ لومز پر ہونے والی سرمایہ کاری کی وجہ سے بڑھ گئیں۔

مالی سال 25 کی پہلی سہ ماہی کے دوران کینی کی مجموعی مالی کارکردگی حسب ذیل دکھائی گئی ہے:

ملین روپے	پہلی سہ ماہی 2024	فیصد	پہلی سہ ماہی 2023	فیصد	فرق	فیصد فرق
آمدنی	3,991	100	5,596	100	(1,604)	(29)
فروخت کی لاگت	(3,473)	87	(5,022)	90	(1,548)	(31)
مجموعی منافع	518	13	574	10	(56)	(10)
تقسیم کی لاگت	(185)	5	(176)	3	10	5
انتظامی اخراجات	(120)	3	(156)	3	(36)	(23)
دیگر اخراجات	(3)	0	(12)	0	(9)	(76)
دیگر آمدنی	57	1	15	0	41	275
مالیاتی لاگت	(380)	10	(388)	7	(8)	(3)
محصولات	(53)	1	(72)	(1)	(19)	28
نقصان بعد از محصولات	(166)	(4)	(214)	(4)	48	(26)

30 ستمبر 2024 کو منتخب شدہ سہ ماہی میں ٹیکس کے بعد خسارہ گزشتہ سال کی اسی مدت کے مقابلے میں 26 فیصد کم ہو گیا کیونکہ کینی نے کم فروخت کے باوجود بہتر مجموعی منافع جات ظاہر کیے۔ اسٹیٹ بینک کی طرف سے پالیسی ریٹ میں کمی کے باعث مالیاتی اخراجات میں کچھ کمی ہوئی، لیکن اگلی سہ ماہی میں KIBOR کی زیادہ شرح نے اس لاگت کو کافی حد تک کم نہیں کیا۔ مالی سال 2025 کی دوسری سہ ماہی میں مالیاتی اخراجات میں مزید بہتری کی توقع ہے کیونکہ اسٹیٹ بینک نے مالی سال 2025 کی پہلی سہ ماہی کے دوران دھڑوں میں کمی کا اعلان کیا ہے۔

مستقبل کا نقطہ نظر:

معاشی حالات میں بتدریج بہتری اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی مستحکم شرح مبادلہ کو مد نظر رکھتے ہوئے توقع کی جا رہی ہے کہ کینی آئندہ مدتوں میں بہتر کارکردگی کا مظاہرہ کرے گی۔ مالیاتی اخراجات میں کمی کے علاوہ کینی کی صلاحیتوں کے بہتر اور موثر استعمال کے ذریعے لائسنسی اخراجات کو کنٹرول کرنے کی کوششیں جاری ہیں، اور جی ایس ٹی ریفرنڈم کی جلد وصولی مستقبل کی کارکردگی پر مثبت اثر ڈالے گی۔

اعتراف خدمات:

بورڈ مالی سال 2025 کی پہلی سہ ماہی میں بہتر کارکردگی دکھانے پر انتظامیہ کی کارکردگی کو سراہتا ہے اور تمام شرکائے کارڈر شمول فروخت کنندگان، بینکوں اور کینی کے ملازمین کی خدمات اور تعاون کا شکریہ ادا کرتا ہے۔

*Handwritten Signature*

خالد بشیر  
ڈائریکٹر

منجانب: بورڈ آف ڈائریکٹرز

*Handwritten Signature*

احمد شفیع  
چیف ایگزیکٹو آفیسر

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

as at September 30, 2024

(Rupees in '000)	Note	Un-Audited September 30, 2024	Audited June 30, 2024
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 200 000 000 (June 30, 2024: 200 000 000) ordinary shares of Rupees 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital		1,000,000	1,000,000
Sponsors' loans		252,952	252,952
<b>Reserves</b>			
<b>Capital reserves</b>			
Premium on issue of right shares		391,559	391,559
Fair value reserve		667,763	539,335
Surplus on revaluation of operating fixed assets - net of deferred income tax		5,903,953	5,904,012
		6,963,275	6,834,906
<b>Revenue reserves</b>		3,161,422	3,305,724
<b>Total reserves</b>		10,124,697	10,140,630
<b>TOTAL EQUITY</b>		11,377,649	11,393,582
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	3	841,198	949,621
Lease Liability		85,783	-
		926,981	949,621
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,409,077	3,313,798
Unclaimed dividend		14,231	14,231
Accrued mark-up		199,226	340,363
Short term borrowings		7,710,917	7,472,718
Current portion of non-current liabilities		421,485	405,129
		11,754,936	11,546,239
		12,681,917	12,495,860
<b>Total liabilities</b>			
<b>Contingencies and commitments</b>	4		
<b>TOTAL EQUITY AND LIABILITIES</b>		24,059,566	23,889,442
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	11,042,565	11,296,004
Right-of-use asset		174,319	-
Long term investments		3,359,790	3,472,651
Long term loans and advances		1,351	2,149
Long term deposits and prepayments		5,668	5,593
		14,583,693	14,776,397
<b>Current assets</b>			
Stores, spare parts and loose tools		395,259	376,567
Stock-in-trade		4,033,090	3,793,213
Trade debts		2,593,268	3,007,283
Loans and advances		157,914	35,314
Short term deposits and prepayments		9,261	9,836
Advance income tax and levy - net		564,935	577,467
Other receivables		537,495	374,745
Short term investment		837,601	600,201
Cash and bank balances		214,550	205,919
		9,343,373	8,980,545
Non-current assets held for sale		132,500	132,500
		9,475,873	9,113,045
<b>Total assets</b>		24,059,566	23,889,442

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



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director



Naseer Ahmad Chaudhary  
Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000')	Note	September 30, 2024	September 30, 2023
Revenue		3,991,382	5,595,758
Cost of sales	6	(3,473,429)	(5,021,619)
Gross profit		517,953	574,139
Distribution cost		(185,031)	(175,525)
Administrative expenses		(119,957)	(155,946)
Other expenses		(2,731)	(11,539)
		(307,719)	(343,010)
		210,234	231,129
Other income		56,739	15,143
Profit from operations		266,973	246,272
Finance cost		(379,817)	(388,246)
Loss before levy and taxation		(112,844)	(141,974)
Levy		(52,862)	(72,303)
Loss before taxation		(165,706)	(214,277)
Taxation		-	311
Loss after taxation		(165,706)	(213,966)
Loss per share - basic and diluted (rupees)		(1.66)	(2.14)

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



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director



Naseer Ahmad Chaudhary  
Chief Financial Officer



## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000')	September 30, 2024	September 30, 2023
Loss after taxation	(165,706)	(213,966)
Other comprehensive loss		
Items that will not be reclassified to statement of profit or loss in subsequent periods:		
Surplus / (deficit) arising on remeasurement of investments at fair value through other comprehensive income	149,773	(17,774)
Related deferred income tax	-	6,088
	149,773	(11,686)
Items that may be reclassified to statement of profit or loss in subsequent periods:	-	-
Other comprehensive income / (loss) for the period - net of tax	149,773	(11,686)
<b>Total comprehensive loss for the period</b>	<b>(15,933)</b>	<b>(225,652)</b>

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



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director



Naseer Ahmad Chaudhary  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000)	Share Capital	Sponsors' Loan	RESERVES							TOTAL	TOTAL EQUITY
			CAPITAL RESERVES				REVENUE RESERVES				
			Premium on issue of n/hgt shares	Fair value reserve of investments at FVTOCI	Surplus on revaluation of operating fixed assets - net of deferred income tax	Sub total	General	Unappropriated profit	Sub total		
Balance as at June 30, 2023 - (Audited)	1,000,000	-	391,559	29,456	5,928,182	6,349,197	1,803,643	3,344,148	5,147,791	11,496,988	12,496,988
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	-	(70)	(70)	-	70	70	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	-	-	(213,966)	(213,966)	(213,966)	(213,966)
Other comprehensive loss for the period	-	-	-	(11,688)	-	(11,688)	-	-	-	(11,688)	(11,688)
Total comprehensive loss for the period	-	-	-	(11,688)	-	(11,688)	-	(213,966)	(213,966)	(225,652)	(225,652)
Balance as at September 30, 2023 - (Un-audited)	1,000,000	-	391,559	17,770	5,928,112	6,337,441	1,803,643	3,130,252	4,933,895	11,271,336	12,271,336
Transaction with owners - Final dividend for the year ended 30 June 2023 at the rate of Rupee 1 per share	-	-	-	-	-	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Sponsors' loans received during the year	-	252,952	-	-	-	-	-	-	-	-	252,952
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	-	(167)	(167)	-	167	167	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	(2,749)	(2,749)	-	-	-	(2,749)	(2,749)
Gain realized on disposal of equity investment at fair value through other comprehensive income	-	-	-	(7,538)	-	(7,538)	-	7,538	7,538	-	-
Loss for the period	-	-	-	-	-	-	-	(1,535,876)	(1,535,876)	(1,535,876)	(1,535,876)
Other comprehensive income for the period	-	-	-	529,103	(21,184)	507,919	-	-	-	507,919	507,919
Total comprehensive loss for the period	-	-	-	529,103	(21,184)	507,919	-	(1,535,876)	(1,535,876)	(1,027,957)	(1,027,957)
Balance as at June 30, 2024 - (Audited)	1,000,000	252,952	391,559	599,335	5,904,012	6,804,906	1,803,643	1,502,081	3,305,724	10,140,630	11,393,582
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	-	(59)	(59)	-	59	59	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	-	-	-	-	-	-	-
Gain realized on disposal of equity investment at fair value through other comprehensive income	-	-	-	(21,345)	-	(21,345)	-	21,345	21,345	-	-
Loss for the period	-	-	-	-	-	-	-	(165,706)	(165,706)	(165,706)	(165,706)
Other comprehensive income for the period	-	-	-	149,773	-	149,773	-	-	-	149,773	149,773
Total comprehensive loss for the period	-	-	-	149,773	-	149,773	-	(165,706)	(165,706)	(15,933)	(15,933)
Balance as at September 30, 2024 - (Un-audited)	1,000,000	252,952	391,559	667,763	5,903,953	6,963,275	1,803,643	1,367,779	3,161,422	10,124,697	11,377,649



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director



Naseer Ahmad Chaudhary  
Chief Financial Officer

2024  
1st QUARTER  
SEPTEMBER 30

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000')	Note	September 30, 2024	September 30, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	7	368,169	524,695
Finance cost paid		(520,954)	(476,591)
Net income tax paid		(40,330)	(72,074)
Dividend paid		-	(15)
Workers' profit participation fund paid		(5,989)	(332)
Net decrease / (increase) in long term loans and advances		1,339	(397)
Net (increase) / decrease in long term deposits and prepayments		(75)	385
Net cash used in operating activities		(197,840)	(24,329)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(50,678)	(284,466)
Proceeds from sale of investments		25,234	-
Net cash used in investing activities		(25,444)	(284,466)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing		(125,028)	(111,291)
Lease liabilities - net		118,744	-
Short term borrowings - net		238,199	407,653
Net cash from financing activities		231,915	296,362
Net increase / (decrease) in cash and cash equivalents		8,631	(12,433)
Cash and cash equivalents at the beginning of the period		205,919	181,395
Cash and cash equivalents at the end of the period		214,550	168,962

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



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director



Naseer Ahmad Chaudhary  
Chief Financial Officer

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

### 1. THE COMPANY AND ITS ACTIVITIES

The Crescent Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017). The registered office of the Company is situated at Sargodha Road, Faisalabad, Punjab. Its shares are quoted on Pakistan Stock Exchange Limited (PSX). The Company is engaged in the business of textile manufacturing comprising of spinning, combing, weaving, dyeing, bleaching, printing, stitching, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber(s) and to generate, accumulate, distribute, supply and sale of electricity. Head office and production units are situated at Sargodha Road, Faisalabad, Punjab except for the weaving unit which is situated at Industrial Estate, Hattar, Tehsil and District Haripur, Khyber Pakhtunkhwa, stitching units which are situated at Lahore Road, Jaranwala, Punjab and at Faisalabad Industrial Estate Development and Management Company (FIEDMC) site at Sahianwala, Tehsil Chak Jhumra, District Faisalabad, Punjab, and liaison office situated at 8th Floor, Sidco Avenue Centre, 264-R.A. Lines, Stretchen Road, Karachi, Sindh.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

##### a) Statement of compliance

i) These condensed interim 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) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), 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 and IFASs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

ii) These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024.

##### b) Accounting policies and computation methods

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2024.

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

### 2.2 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and assumptions are based on historical exposure and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates, assumptions and judgments.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the annual audited financial statements of the Company for the year ended 30 June 2024.

(Rupees in '000')	Un-Audited September 30, 2024	Audited June 30, 2024
<b>3. LONG TERM FINANCING</b>		
Financing from banking companies - secured		
Opening balance	1,354,750	1,570,122
Add: Obtained during the period / year	-	212,078
Less: Repaid during the period / year	(125,028)	(427,450)
	1,229,722	1,354,750
Less: Current portion shown under current liabilities	388,524	405,129
	841,198	949,621

### 4. CONTINGENCIES AND COMMITMENTS

#### a) Contingencies

- i) Guarantees of Rupees 545.971 million (June 30, 2024: Rupees 339.001 million) are given by the banks of the Company to Collector of Customs against import of certain items, SNGPL against gas connections and Faisalabad Electric Supply Company Limited (FESCO) against electricity connections.
- ii) Post dated cheques and security cheques of Rupees 2,892.859 million (June 30, 2024: Rupees 2,942.646 million) are issued to custom authorities in respect of duties on imported materials availed on the basis of consumption and export plans, for covering full amount plus profit for three months against diminishing musharaka to bank. If documents of exports / rentals are not provided / paid on due dates, cheques issued as security shall be encashable.

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

- iii) There has been no change in the status of other contingent liabilities as disclosed in Note 12(a) to the annual financial statements of the Company for the year ended 30 June 2024.

b) Commitments

- i) Contracts for capital expenditure are of Rupees 93.885 million (June 30, 2024: Rupees 93.885 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 756.572 million (June 30, 2024: Rupees 390.604 million).
- iii) Ijarah commitments are of Rupees 0.924 million (June 30, 2024: Rupees 1.739 million).

(Rupees in '000')	Un-Audited September 30, 2024	Audited June 30, 2024
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets - Owned (Note 5.1)	10,705,540	10,833,873
Capital work-in-progress (Note 5.2)	337,025	462,131
	<b>11,042,565</b>	<b>11,296,004</b>
<b>5.1 Operating fixed assets - Owned</b>		
Opening book value	10,833,873	8,894,443
Add: Cost of additions during the period / year (Note 5.1.1)	-	2,543,000
	<b>10,833,873</b>	<b>11,437,443</b>
Less:		
Book value of deletions during the period / year (Note 5.1.2)	-	10,472
Depreciation charged for the period / year	128,333	439,414
	<b>128,333</b>	<b>449,886</b>
	<b>10,705,540</b>	<b>10,987,557</b>
Less: Classified as non-current assets held for sale	-	153,684
Book value at the end of the period / year	<b>10,705,540</b>	<b>10,833,873</b>

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000')	Un-Audited	Audited
	September 30, 2024	June 30, 2024
<b>5.1.1</b> Cost of additions during the period / year		
Buildings on leasehold land	-	568,431
Plant and machinery	-	1,813,962
Factory tools and equipment	-	400
Gas and electric installations	-	124,759
Vehicles	-	27,018
Furniture and fixture	-	1,998
Office equipment	-	6,432
	-	2,543,000
<b>5.1.2</b> Book value of deletions during the period / year		
Plant and machinery	-	5,966
Vehicles	-	4,467
Office equipment	-	39
	-	10,472
<b>5.2</b> Capital work-in-progress		
Buildings on leasehold land	67,291	58,081
Plant and machinery	-	164,171
Advance against furniture and fixtures	-	496
Advance against gas and electric installations	31,671	1,320
Advance against purchase of land	238,063	238,063
	337,025	462,131
(Rupees in '000')	Un-Audited	
	Quarter ended	
	September 30,	September 30,
	2024	2023
<b>6. COST OF SALES</b>		
Raw materials consumed	1,297,431	2,752,526
Cloth and yarn purchased	455,555	747,236
Stores, spare parts and loose tools consumed	361,771	403,796
Packing material consumed	178,883	229,090
Processing and weaving charges	145,022	303,430
Salaries, wages and other benefits	407,007	486,629
Fuel and power	920,598	826,580
Repair and maintenance	18,515	17,141
Insurance	7,288	5,641
Depreciation	121,682	67,000
Depreciation right-of-use asset	1,465	-
Other factory overheads	15,077	23,944
	3,930,294	5,863,013

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000')	Un-Audited Quarter ended	
	September 30, 2024	September 30, 2023
Work-in-process:		
Opening stock	257,212	359,354
Closing stock	(232,058)	(392,793)
	25,154	(33,439)
Cost of goods manufactured	3,955,448	5,829,574
Finished goods:		
Opening stock	2,709,479	2,917,739
Closing stock	(3,191,498)	(3,725,694)
	(482,019)	(807,955)
	3,473,429	5,021,619
<b>7. CASH GENERATED FROM OPERATIONS</b>		
Loss before taxation	(112,844)	(141,974)
Adjustments for non-cash charges and other items:		
Depreciation	128,333	74,443
Amortization	-	32
Mark-up on workers' profit participation fund	-	2,264
Depreciation right-of-use asset	1,465	-
Finance cost	379,817	385,982
Working capital changes (Note 7.1)	(28,602)	203,948
	368,169	524,695
<b>7.1 Working capital changes</b>		
Decrease / (increase) in current assets:		
Stores, spare parts and loose tools	(18,692)	(60,489)
Stock-in-trade	(239,877)	(1,337,490)
Trade debts	414,015	1,133,210
Loans and advances	(123,141)	61,184
Short term deposits and prepayments	575	14,127
Other receivables	(162,750)	115,010
	(129,870)	(74,448)
Increase in trade and other payables	101,268	278,396
	(28,602)	203,948

### 8. TRANSACTIONS WITH RELATED PARTIES

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



## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

(Rupees in '000')		Un-Audited Quarter ended	
		September 30, 2024	September 30, 2023
<b>i) Transactions</b>			
Particulars	Nature of transaction		
Associated companies	Services provided	1,726	1,398
	Services received	2,483	-
	Sales of goods	-	8,066
	Purchase of goods	-	10,325
	Insurance premium	10,055	2,074
Employees' Provident Fund Trust	Contribution paid	12,229	14,116
Key management personnel	Remuneration paid to chief executive, directors and executives	43,949	67,700

(Rupees in '000')		Un-Audited	Audited
		September 30, 2024	June 30, 2024
<b>ii) Period end balances</b>			
Associated companies and other related parties			
Trade and other payables		14,213	4,343
Trade debts		84	14,699
Other receivables		2,387	1,228

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

### 9. SEGMENT INFORMATION

(Rupees in '000)	Spinning	
	(Un-audited)	
	Quarter ended	
	September 30,2024	September 30,2023
Revenue		
External	761,241	1,868,884
Intersegment	1,006,310	1,747,799
	1,767,551	3,616,683
Cost of sales	(1,562,760)	(3,657,465)
Gross profit	204,791	(40,782)
Distribution cost	(10,498)	(25,019)
Administrative expenses	(39,237)	(51,168)
	(49,735)	(76,187)
Profit / (loss) before taxation and unallocated income and expenses	155,056	(116,969)
Unallocated income and expenses		
Other expenses		
Other income		
Finance cost		
Levy		
Taxation		
Loss after taxation		

#### 9.1 Reconciliation of reportable segment assets and liabilities:

(Rupees in '000')	Spinning	
	(Un-Audited)	(Audited)
	September 30,2024	June 30,2024
Total assets for reportable segments	3,107,008	2,551,705
Unallocated assets		
Total assets as per statement of financial position		
All segment assets are allocated to reportable segments other than those directly relating to corporate and tax assets.		
Total liabilities for reportable segments	2,134,220	2,832,505
Unallocated liabilities		
Total liabilities as per statement of financial position		

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

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

Weaving		Processing & Home Textile		Power Generation		Elimination of Inter - Segment transactions		Total - Company	
(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended	
September 30,2024	September 30,2023	September 30,2024	September 30,2023	September 30,2024	September 30,2023	September 30,2024	September 30,2023	September 30,2024	September 30,2023
411,321	348,507	2,818,820	3,378,367	-	-	-	-	3,991,382	5,595,758
1,646,743	2,614,958	-	-	614,666	609,558	(3,267,719)	(4,972,315)	-	-
2,058,064	2,963,465	2,818,820	3,378,367	614,666	609,558	(3,267,719)	(4,972,315)	3,991,382	5,595,758
(2,018,073)	(2,919,493)	(2,566,469)	(2,819,804)	(593,846)	(597,172)	3,267,719	4,972,315	(3,473,429)	(5,021,619)
39,991	43,972	252,351	558,563	20,820	12,386	-	-	517,953	574,139
(6,338)	(5,977)	(167,130)	(143,097)	(1,065)	(1,432)	-	-	(185,031)	(175,525)
(11,943)	(15,575)	(63,067)	(81,756)	(5,710)	(7,447)	-	-	(119,957)	(155,946)
(18,281)	(21,552)	(230,197)	(224,853)	(6,775)	(8,879)	-	-	(304,988)	(331,471)
21,710	22,420	22,154	333,710	14,045	3,507	-	-	212,965	242,668
								(2,731)	(11,539)
								56,739	15,143
								(379,817)	(388,246)
								(52,862)	(72,303)
								-	311
								(165,706)	(213,966)

Weaving		Processing & Home Textile		Power Generation		Total - Company	
(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
September 30,2024	June 30,2024	September 30,2024	June 30,2024	September 30,2024	June 30,2024	September 30,2024	June 30,2024
4,130,734	4,181,600	4,027,813	4,741,451	466,058	490,705	11,731,613	11,965,461
						12,327,953	11,923,981
						24,059,566	23,889,442
2,721,638	1,912,300	4,110,248	4,126,509	272,572	272,699	9,238,678	9,144,013
						3,443,239	3,351,847
						12,681,917	12,495,860

and tax liabilities.

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

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

### 9.3 Geographical Information

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

	Spinning		Weaving		Processing & Home Textile		Total Company	
	September 30,2024	September 30,2023	September 30,2024	September 30,2023	September 30,2024	September 30,2023	September 30,2024	September 30,2023
Europe	-	-	34,925	85,353	2,190,671	2,435,624	2,225,596	2,520,977
America	-	-	-	-	111,215	647,587	111,215	647,587
Asia, Africa and Australia	26,303	64,900	-	-	233,811	238,146	260,114	303,046
Pakistan	734,938	1,803,984	376,396	263,154	283,123	57,010	1,394,457	2,124,148
	761,241	1,868,884	411,321	348,507	2,818,820	3,378,367	3,991,382	5,595,758

9.4 The Company's revenue from external customers in respect of products is detailed below:

Yarn	720,796	1,665,568	1,901	1,900	-	-	722,697	1,667,468
Fabric	-	-	274,620	344,863	484,721	585,874	759,341	930,737
Made ups	-	-	-	-	2,184,200	2,760,574	2,184,200	2,760,574
Processing income	-	-	-	-	149,899	31,919	149,899	31,919
Weaving income	-	-	131,364	-	-	-	131,364	-
Waste	40,445	203,316	3,436	1,744	-	-	43,881	205,060
	761,241	1,868,884	411,321	348,507	2,818,820	3,378,367	3,991,382	5,595,758

## 10. FINANCIAL RISK MANAGEMENT

### 10.1 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.

These condensed interim financial statements does not include all financial risk management information and disclosures as required in the annual financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024.

### 10.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Compared to the year end June 30, 2024, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

### 11. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

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

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.

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 since the year end. Further, there was no transfer in and out of level 3 measurements.

#### Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices for listed securities and comparable company valuation multiples under market approach method for most of the unlisted securities.

The management updates the assessment of the fair value of non-financial assets, taking into account the most recent independent valuations. The management determines property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties.

### 12. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on October 29, 2024.

### 13. CORRESPONDING FIGURES

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

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

for the 1st Quarter Ended September 30, 2024

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

### 14. GENERAL

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



Ahmad Shafi  
Chief Executive Officer



Khalid Bashir  
Director



Naseer Ahmad Chaudhary  
Chief Financial Officer

2024  
1st QUARTER  
SEPTEMBER 30

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