



**Crescent
Fibres**



Quarterly Report
September 30, 2023

COMPANY INFORMATION

Board of Directors	Nadeem Maqbool	(Chairman, Non-Executive Director)
	Imran Maqbool	(Chief Executive Officer, Executive Director)
	Humayun Maqbool	(Executive Director)
	Naila Humayun Maqbool	(Non-Executive Director)
	Mansoor Riaz	(Non-Executive Director)
	Syed Rizwan Husain	(Independent, Non-Executive Director)
	Sheikh Muhammad Ali Asif	(Independent, Non-Executive Director)
Chief Financial Officer	Kamran Rasheed	
Company Secretary	Javaid Hussain	
Audit Committee	Sheikh Muhammad Ali Asif	(Chairman)
	Nadeem Maqbool	(Member)
	Naila Humayun Maqbool	(Member)
Human Resources & Remuneration Committee	Syed Rizwan Husain	(Chairman)
	Nadeem Maqbool	(Member)
	Naila Humayun Maqbool	(Member)
Auditors	BDO Ebrahim & Company Chartered Accountants	
Legal Advisor	Mohsin Tayebally & Sons	
Share Registrar	Corplink (Pvt) Limited	
	Wings Arcade, 1-K, Commercial, Model Town, Lahore.	
	Tel: (042) 35916714, 35916719, 35839182	
	Email: shares@corplink.com.pk	
Registered Office	104-Shadman 1, Lahore-54000 Tel: (042) 35960871-4 Lines	
Head Office	7 th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi Tel: (021) 35682073-74	
Project Locations		
Unit No. 1	Plot No. B/123, Road No. D-7, Industrial Area Nooriabad, District Dadu, Sindh	
Unit No. 2	17-Km, Faisalabad Road, Bhikhi, District Sheikhpura, Punjab	
E-mail	lo@crescentfibres.com	
Website	www.crescentfibres.com	



MANAGEMENT REVIEW

The Company reported after tax loss of Rs. 31.1 million for the quarter ended September 30, 2023 as compared to a profit of Rs. 8.05 million for the three months ended September 30, 2022. The earnings per share for the period under review was negative Rs. 2.51 as compared to Rs. 0.65 in the previous quarter.

Overall, sales decreased by 3.4% as compared to the quarter ended September 2022. This is primarily attributable to low demand which forced the company to curtail production. The gross margin for the period was 2.9% as compared to 6.3% in the previous period. Distribution and administrative expenses at 2.2% were higher as compared to 2.1% in the previous period primarily attributable to the general inflationary trend. The operating margin in the period under review was at 2.3 % as compared to 4.4% for the quarter ended September 30, 2022. The financial charges were higher at 3.4% as compared to 2.6% for the corresponding period due to the increase in interest rates and lower cash flows and negative margins. Overall, the net margin for the quarter was -1.6% as compared to 0.4% for the previous quarter.

Textile demand started to decline in the fourth quarter of the last fiscal year. This trend had worsened as a weakening global economy, rising interest rates and inflation and overall commodity and financial market volatility has led to severe demand destruction. In light of domestic and global challenges we expect this downward trend to continue.

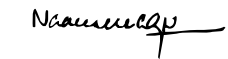
Imprudent economic policies combined with recent global events have made Pakistan's economy particularly fragile, characterized by high balance of payment and fiscal deficits, a weakening and volatile currency, rising inflation and interest rates, high external indebtedness and uncompetitive energy pricing. Without meaningful reforms that boost economic competitiveness, direct investment toward productive sectors that promote exports and a sustained effort to end the regulatory quagmire, Pakistan's economic recovery will continue to falter.

Other than global and domestic economic issues, the textile industry faces other challenges including high cost of doing business, increased financial, exchange rate and commodity market volatility, low domestic cotton yield and quality and supply chain. The Government has promised supply of energy at regionally competitive rates, and this must be ensured to maintain viability. In addition, the Government must adopt a prudent monetary policy, and improve liquidity by releasing long delayed income tax and other rebates.

We expect the next year to be a very difficult one for the textile industry. In light of the negative outlook, the Management will continue to rely on sound, low risk decision making to protect the interests of the shareholders.

The Management wishes to place on record its appreciation for the hard work and devotion of its workers and the invaluable advice and support of the Company's Directors, shareholders and bankers.


IMRAN MAQBOOL
Chief Executive Officer


NADEEM MAQBOOL
Director

October 30, 2023

کمپنی نظماًء (ڈائریکٹران) کی رپورٹ

کمپنی کو 30 ستمبر 2023 کو ختم ہونے والی سہ ماہی کے دوران ٹیکس ادائیگی کے بعد 31.1 ملین روپے کا خسارہ ہوا جس کے مقابلے میں 30 ستمبر 2022 کو ختم ہونے والے تین ماہ کے دوران اسے 8.05 ملین روپے کا منافع ہوا تھا۔ زیر جائزہ مدت کے لئے فی حصص آمدنی منفی 2.51 روپے رہی جو کہ کھچلی سہ ماہی میں 0.65 روپے تھی۔

مجموعی طور پر، ستمبر 2022 کو ختم ہونے والی سہ ماہی کے مقابلے میں فروخت میں 3.4 فیصد کمی واقع ہوئی۔ یہ بنیادی طور پر کم طلب کی وجہ سے ہے جس نے کمپنی کو پیدوار میں کمی کرنے پر مجبور کیا۔ اس مدت کے لیے مجموعی منافع گزشتہ مدت کے 6.3 فیصد کے مقابلے میں 2.9 فیصد تھا۔ تقسیم کار اور انتظامی اخراجات 2.2 فیصد تھے جو گزشتہ مدت میں 2.1 فیصد کے مقابلے میں زیادہ تھے جس کی بنیادی وجہ عام افراط زر کا رجحان تھا۔ زیر جائزہ مدت میں آپریٹنگ مارجن 30 ستمبر 2022 کو ختم ہونے والی سہ ماہی کے 4.4 فیصد کے مقابلے میں 2.3 فیصد رہا۔ شرح سود میں اضافے اور نقد بہاؤ میں کمی اور منفی منافع کی وجہ سے مالیاتی اخراجات اسی مدت کے 2.6 فیصد کے مقابلے میں 3.4 فیصد زیادہ تھے۔ مجموعی طور پر، اس سہ ماہی کے لیے نالص منافع گزشتہ سہ ماہی کے 0.4 فیصد کے مقابلے میں منفی 1.6 فیصد تھا۔

گذشتہ مالی سال کی چوتھی سہ ماہی میں ٹیکسٹائل کی طلب میں کمی کی آثار شروع ہوئی۔ یہ رجحان کمزور عالمی معیشت، بڑھتی ہوئی شرح سود اور افراط زر اور مجموعی طور پر اجناس اور مالیاتی منڈی کے آثار چڑھاؤ کی وجہ سے مانگ میں شدید پستی کا باعث بنا ہے۔ مکی اور عالمی چینلینجوں کی روشنی میں ہمیں اندیشہ ہے کہ یہ منفی رجحان جاری رہے گا۔

عالمی عالمی واقعات کے ساتھ مل کر غلط معاشی پالیسیوں نے پاکستان کی معیشت کو خاص طور پر کمزور بنا دیا ہے، جس کی بنیادی وجہ ادائیگیوں کے بلند توازن اور مالیاتی خسارے، گرتی ہوئی کرنسی، بڑھتی ہوئی افراط زر، شرح سود میں اضافہ، بلند بیرونی قرضہ جات اور توانائی کی قلت ہے۔ معاشی مسابقت کو فروغ دینے والی بائیس اصلاحات کے بغیر، برآمدات کو فروغ دینے والے پیدوار کی شعبوں میں براہ راست سرمایہ کاری اور ریگولیشنری دلدل کو ختم کرنے کے لئے مسلسل کوششوں کے بغیر پاکستان کی اقتصادی بحالی ناکام ہوتی رہے گی۔

عالمی اور ملکی معاشی مسائل کے علاوہ، ٹیکسٹائل انڈسٹری کو دیگر چینلوں کا سامنا ہے جن میں کاروبار کرنے کی زیادہ لاگت، مالیاتی اضافہ، بھرتی مبادلہ اور اجناس کی منڈی میں آثار چڑھاؤ، مکی کپاس کی پیدوار میں کمی اور معیار اور فراہمی کے سلسلے میں رکاوٹیں شامل ہیں۔ حکومت نے علاقائی سطح پر مسابقتی نزعوں پر توانائی کی فراہمی کا وعدہ کیا ہے، اور اس عمل کو یقینی بنایا جائے، اس کے علاوہ حکومت کو ایک دانشمندانہ مالیاتی پالیسی اپنانی چاہیے، سیکورٹیکس کے نظام کو حکومت کو فوری طور پر معطل کرنا چاہیے اور طویل عرصہ سے تاخیر کا شکار آکم ٹیکس اور دیگر رعایتیں جاری کر کے لیکویڈیٹی کو بہتر بنانا چاہیے۔

ہم توقع کرتے ہیں کہ اگلا سال ٹیکسٹائل انڈسٹری کے لئے بہت مشکل ہوگا۔ منفی نقطہ نظر کی روشنی میں، انتظامیہ شیئرز ہولڈرز کے مفادات کے تحفظ کے لئے درست، کم خطرے والے فیصلے پر اصرار کرتی رہے گی۔

کمپنی کی انتظامیہ عملے کی مسلسل محنت اور جذبے پر اچھے تعلقات کا اعتراف کرتی ہے اور کمپنی ڈائریکٹرز، بینکرز اور حصہ داران کا بھی مسلسل حمایت پر شکر یاد کرتی ہے۔

Nasir Ahmad

ندیم مقبول
ڈائریکٹر

Imra Masood

عمران مقبول
چیف ایگزیکٹو آفیسر

کراچی: تاریخ 30 اکتوبر 2023ء



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023**

		September 30, 2023 (Un-audited) Rupees	June 30, 2023 (Audited) Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6	1,175,689,504	1,191,009,114
Capital work-in-progress	7	<u>728,229,928</u>	<u>720,366,422</u>
		1,903,919,432	1,911,375,536
Intangible asset	8	8,008,976	8,430,500
Investment property	9	-	-
Investment in equity accounted associate	10	-	-
Long term deposits		<u>21,396,505</u>	<u>27,056,805</u>
		1,933,324,913	1,946,862,841
CURRENT ASSETS			
Stores, spares and loose tools	11	110,725,041	110,512,114
Stock in trade	12	685,124,770	687,933,993
Trade debts	13	1,954,335,785	1,945,149,699
Loans and advances		135,453,238	25,886,548
Trade deposits and short term prepayments		34,469,387	9,882,962
Other receivables		1,253,139	3,253,340
Short term investments	14	88,452,753	69,426,885
Tax refunds due from Government	15	42,259,794	105,638,469
Taxation - net		34,039,862	40,355,400
Cash and bank balances	16	<u>130,184,909</u>	<u>204,350,417</u>
		3,216,298,678	3,202,389,827
Assets classified as held for sale	17	<u>2,558,800,400</u>	<u>2,538,897,200</u>
		7,708,423,991	7,688,149,868
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
15,000,000 (June 30, 2023: 15,000,000) ordinary shares of Rs. 10/- each		<u>150,000,000</u>	<u>150,000,000</u>
Issued, subscribed and paid-up capital			
12,417,876 (June 30, 2023: 12,417,876) ordinary shares of Rs. 10/- each	18	124,178,760	124,178,760
Capital reserves			
Surplus on revaluation of property, plant and equipment		1,996,280,568	1,996,280,568
Unrealised gain on investments at fair value through other comprehensive income		51,714,134	32,688,266
		2,047,994,702	2,028,968,834
Revenue reserves			
Unappropriated profit		<u>2,526,081,522</u>	<u>2,557,189,191</u>
		4,698,254,984	4,710,336,785
NON CURRENT LIABILITIES			
Long term financing	19	282,339,240	286,442,241
Lease liabilities	20	125,858,161	135,463,673
Deferred capital grant	21	122,358,750	121,804,419
GIDC payable		2,843,217	2,843,217
Deferred taxation		<u>70,215,598</u>	<u>86,452,523</u>
		603,614,966	633,006,073
CURRENT LIABILITIES			
Trade and other payables	22	1,781,133,795	1,597,496,291
Unclaimed dividend		3,038,460	3,038,460
Interest and mark-up accrued		42,137,191	50,289,757
Short term borrowings	23	514,228,813	628,106,241
Current portion of long term liabilities	24	66,015,782	65,876,261
		<u>2,406,554,041</u>	<u>2,344,807,010</u>
		7,708,423,991	7,688,149,868
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS 25			

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.

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Imran Maqbool
IMRAN MAQBOOL
Chief Executive Officer


Naadeem Maqbool
NADEEM MAQBOOL
Director

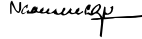
Kamran Rasheed
KAMRAN RASHEED
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Note	Quarter ended	
		September 30, 2023 Rupees	September 30, 2022 Rupees
Sales - net		1,975,406,469	2,041,698,229
Cost of sales	26	(1,918,298,528)	(1,913,134,556)
Gross profit		57,107,941	128,563,673
General and administrative expenses		(44,348,149)	(42,440,627)
Distribution cost		(5,549,841)	(5,799,214)
Other operating income		38,487,733	11,642,092
Other operating expenses		(325,000)	(2,829,664)
		(11,735,257)	(39,427,413)
Operating profit		45,372,684	89,136,260
Financial charges		(67,717,152)	(53,459,005)
Share of loss from associate		-	-
		(67,717,152)	(53,459,005)
(Loss) / profit before taxation		(22,344,468)	35,677,254
Taxation	27	(8,763,201)	(27,627,067)
Profit for the period		(31,107,669)	8,050,187
Earnings per share - basic and diluted	28	(2.51)	0.65

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IMRAN MAQBOOL
Chief Executive Officer


NADEEM MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer

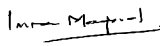
Quarterly Report

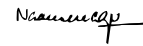
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

		September 30, 2023	September 30, 2022
	Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	29	155,794,424	(119,745,296)
Financial charges paid		(75,869,718)	(42,843,098)
Taxes paid		(18,684,588)	(35,833,329)
Net cash used in operating activities		61,240,118	(198,421,723)
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in capital expenditure		(21,019,506)	(113,413,558)
Proceeds from disposal of operating fixed assets		7,400,000	-
Long term deposits		5,660,300	7,917,800
Net cash used in investing activities		(7,959,206)	(105,495,758)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long term financing		(4,103,001)	(26,337,134)
Proceeds from long term financing		-	75,768,000
Principal paid on lease liabilities		(9,465,991)	(4,743,461)
Short term borrowings - net		(113,877,428)	266,849,631
Net generated from financing activities		(127,446,420)	311,537,036
Net (decrease) / increase in cash and cash equivalents		(74,165,508)	7,619,555
Cash and cash equivalents at the beginning of the period		204,350,417	247,809,755
Cash and cash equivalents at the end of the period		130,184,909	255,429,310

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.

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IMRAN MAQBOOL
Chief Executive Officer


NADEEM MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2023

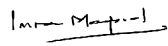
	Issued, subscribed and paid-up capital	Capital Reserves		Revenue Reserves	Total
		Unrealised gain on investments at fair value through other comprehensive income	Surplus on revaluation of property, plant and equipment	Unappropriated profit	
Balance as at July 1, 2022 (audited)	124,178,760	37,512,961	1,996,280,568	2,181,283,944	4,339,256,233
Total comprehensive income for the period					
Profit for the period	-	-	-	8,050,187	8,050,187
Other comprehensive income					
Unrealised gain on revaluation of investments classified as 'fair value through other comprehensive income'	-	1,882,242	-	-	1,882,242
	-	1,882,242	-	8,050,187	9,932,429
Transactions with shareholder					
Final cash dividend @ Rs. 1.5 per share for the year ended June 30, 2021	-	-	-	(18,626,814)	(18,626,814)
Balance as at September 30, 2022 (unaudited)	124,178,760	39,395,203	1,996,280,568	2,170,707,317	4,330,561,848
Balance as at July 1, 2023 (audited)	124,178,760	32,688,266	1,996,280,568	2,557,189,191	4,710,336,785
Total comprehensive income for the period					
Profit for the period	-	-	-	(31,107,669)	(31,107,669)
Other comprehensive income					
Unrealised gain on revaluation of investments classified as 'fair value through other comprehensive income'	-	19,025,868	-	-	19,025,868
	-	19,025,868	-	(31,107,669)	(12,081,801)
Balance as at September 30, 2023 (unaudited)	124,178,760	51,714,134	1,996,280,568	2,526,081,522	4,698,254,984

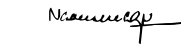
The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	Quarter ended	
	September 30, 2023	September 30, 2022
	Rupees	Rupees
Profit for the period	(31,107,669)	8,050,187
Other comprehensive income		
Items that will not be reclassified to statement of profit or gain subsequently		
Unrealised gain on revaluation of investments classified as 'fair value through other comprehensive income'	19,025,868	1,882,242
Total comprehensive income for the period	(12,081,801)	9,932,429

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


IMRAN MAQBOOL
Chief Executive Officer


NADEEM MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer



Quarterly Report

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

1 STATUS AND NATURE OF BUSINESS

Crescent Fibres Limited ("the Company") was incorporated in Pakistan on August 06, 1977 under the Companies Act, 1913 (now the Companies Act, 2017) as a public limited company. The Company's shares are listed on the Pakistan Stock Exchange. The principal business of the Company is manufacture and sale of yarn.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 104 Shadman I, Lahore. The Company's manufacturing facilities are located at Plo. No. B/12/L Road, Svt. D-7, Industrial Area Noorabad, District Dadu, in the Province of Sindh and at 17-KM, Faisalabad Road, Bhikhi, District Sheikhupura in the Province of Punjab. The other offices of the Company is located at the 7th Floor, Lakson Square Building No.3 Karachi, Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

These condensed interim financial statements of the Company for the quarter ended September 30, 2023 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

- Islamic Financial Accounting Standard - 2 Ijarah (IFAS-2) issued by the Institute of Chartered Accountants of Pakistan.

Where the provisions of and directives issued under the Companies Act, 2017 and IFAS-2 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 and IFAS-2 have been followed.

3.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2023, which have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the three months ended September 30, 2023.

3.3 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise.

3.4 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2023.

4.1 Initial application of standards, amendments or an interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2022, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2023, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2023.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		September 30, 2023 (Un-audited) Rupees	June 30, 2023 (Audited) Rupees	
6 OPERATING FIXED ASSETS				
Operating fixed assets	6.1 & 6.1.3	1,160,874,850	1,125,468,794	
Right-of-use assets	6.2	14,814,654	65,540,320	
		<u>1,175,689,504</u>	<u>1,191,009,114</u>	
6.1 Fixed assets				
Opening net book value (NBV)		1,125,468,794	1,191,448,927	
Transfer from leased assets to own assets (NBV)		57,345,947	-	
		-	1,851,946	
Additions (at cost) during the period / year	6.1.1	5,756,000	33,648,154	
		<u>1,188,570,741</u>	<u>1,226,949,027</u>	
Disposals (at NBV) during the period / year	6.1.2	(5,756,000)	(9,793,207)	
Depreciation charged during the period / year		(21,939,891)	(91,687,026)	
		<u>(27,695,891)</u>	<u>(101,480,233)</u>	
Closing net book value (NBV)		<u>1,160,874,850</u>	<u>1,125,468,794</u>	
6.1.1 Details of additions (at cost) during the period / year are as follows:				
Owned				
Plant and machinery		-	11,391,934	
Vehicles		5,756,000	19,413,620	
Electric installation		-	2,842,600	
		<u>5,756,000</u>	<u>33,648,154</u>	
6.1.2 Details of deletion (NBV) during the period / year are as follows:				
Owned				
Vehicles		5,756,000	9,793,207	
		<u>5,756,000</u>	<u>9,793,207</u>	
6.1.3 Fair value of freehold land is considered to be based on level 2 in the fair value hierarchy due to significant observable input used in the valuation.				
Valuation techniques used to derive level 2 fair values				
Fair value of freehold was derived using sale comparison approach, standard appraisal procedures and physical site inspection. Sale prices of comparable land in close proximity is adjusted for differences in key attributes such as location and size of the land. Moreover, value of land also depends upon the area and location. The most significant input in this valuation approach is price / rate per kanal / acre in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.				
6.2 Right-of-use assets				
Opening net book value (NBV)		65,540,320	76,183,019	
Additions (at cost) during the period / year		7,400,000	-	
Transfer from leased assets to own assets (NBV)		(57,345,947)	(1,851,946)	
Depreciation charged during the period / year		(779,719)	(8,790,753)	
		<u>14,814,654</u>	<u>65,540,320</u>	
7 CAPITAL WORK-IN-PROGRESS				
		Cost		
Description	As at July 01, 2023	Additions during the year	Transferred to operating fixed assets	As at September 30, 2023
		Rupees		
Enhancement in Unit 2	720,366,422	7,863,306	-	728,229,928
Total - June 30, 2023	<u>103,987,733</u>	<u>616,378,689</u>	<u>-</u>	<u>720,366,422</u>
7.1 This represents enhancement of Yarn winding facility and installation of autoconic machine at Unit 2.				
8 INTANGIBLE ASSETS				
Computer software		8,008,976	8,430,500	
Movement in intangible assets				
Opening net book value		8,430,500	8,778,168	
Additions (at cost)		-	1,667,074	
Amortisation charged		(421,524)	(2,014,742)	
Closing net book value		<u>8,008,976</u>	<u>8,430,500</u>	

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		September 30, 2023 (Un-audited) Rupees	June 30, 2023 (Audited) Rupees
9 INVESTMENT PROPERTY			
Opening balance		-	1,756,577,720
Fair value adjustment	9.1	-	782,319,480
		-	2,538,897,200
Assets classified as held for sale	17	-	(2,538,897,200)
		-	-
9.1 Valuation techniques used to derive level 2 fair values - Investment property			
Fair value of investment was derived using sale comparison approach, standard appraisal procedures and physical site inspection. Sale prices of comparable land in close proximity is adjusted for differences in key attributes such as location and size of the land. Moreover, value of land also depends upon the area and location. The most significant input in this valuation approach is price / rate per kanal / acre in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.			
10 INVESTMENT IN EQUITY ACCOUNTED ASSOCIATE			
Investment in equity accounted associate	10.1	-	-
10.1 Investment in equity accounted associate			
Premier Insurance Limited 69,621 shares of Rs.10 each (June 30, 2023 : 69,621 shares of Rs.10/- each)			
Cost of investment		930	930
Accumulated share of post acquisition profit - net of dividend received		88,077	284,140
Accumulated impairment		(89,007)	(89,007)
Share of loss for the year		-	(196,063)
		(930)	(930)
		-	-
Market value of investment in equity accounted associate was Rs. 0.425 million (June 30, 2023: Rs. 0.348 million).			
11 STORES, SPARES AND LOOSE TOOLS			
Stores		121,969,339	121,756,412
Less: provision for slow moving items		(11,244,298)	(11,244,298)
		110,725,041	110,512,114
12 STOCK IN TRADE			
Raw material in hand		430,981,898	458,254,047
Work-in-process		118,317,011	129,395,154
Finished goods		135,825,861	100,284,792
		685,124,770	687,933,993
13 TRADE DEBTS			
Unsecured - considered good			
Duc from associated companies		9,409,007	27,891,583
Others		1,944,926,778	1,917,258,116
		1,954,335,785	1,945,149,699
Considered doubtful		98,588,659	98,588,659
		2,052,924,444	2,043,738,358
Less: Allowance for expected credit loss		(98,588,659)	(98,588,659)
		1,954,335,785	1,945,149,699
13.1	This represents duc from Suraj Cotton Mills Limited, an associated company.		
13.2 Allowance for expected credit loss			
Opening balance		98,588,659	63,414,906
Allowance recognized during the year		-	35,173,753
Closing balance		98,588,659	98,588,659
14 SHORT TERM INVESTMENTS			
At fair value through other comprehensive income	14.1	87,252,753	68,226,885
At amortised cost	14.2	1,200,000	1,200,000
		88,452,753	69,426,885
14.1 Fair value through other comprehensive income			
Listed Equity Securities			
Cost		48,187,534	48,187,534
Unrealized gain on revaluation of investments		51,714,134	32,688,266
Impairment loss		(12,648,915)	(12,648,915)
		87,252,753	68,226,885

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		September 30, 2023 (Un-audited) Rupees	June 30, 2023 (Audited) Rupees
		Note	
14.2	Amortised cost		
	Term deposit certificates	14.2.1	1,200,000
14.2.1	These term deposit certificates carry mark-up at rates ranging from 9.0% to 19.50% per annum (June 30, 2023: 9.0% to 19.50% per annum).		
15	TAX REFUNDS DUE FROM GOVERNMENT		
	Sales tax refundable		42,259,794
			105,638,469
16	CASH AND BANK BALANCES		
	Cash in hand		2,290,507
	Cash with banks		1,196,401
	Current accounts		49,201,035
	PLS saving accounts	16.1	78,161,866
			127,362,901
	Islamic current accounts		531,501
			382,937
			130,184,909
			204,350,417
16.1	The balance in savings accounts carry mark-up at the rates ranging from 12.25% to 14.50% per annum (June 30, 2023: 12.25% to 14.50% per annum).		
17	ASSETS CLASSIFIED AS HELD FOR SALE		
	Opening balance		2,538,897,200
	Fair value adjustment		19,903,200
	Closing balance	17.1	2,558,800,400
17.1	The management has an active plan to sell the investment property located at Nishatabad, Faisalabad in view of the available market opportunities. The board of directors have approved the management plan and authorized the CFO to assess the available opportunities and fulfill all corporate formalities in this regard. The management is hopeful to sell the said property in next financial year.		
18	ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Number of ordinary shares of Rs. 10/- each			
September 30, 2023		June 30, 2023	
September 30, 2023		September 30, 2023	
June 30, 2023		June 30, 2023	
9,128,510	9,128,510	91,285,100	91,285,100
535,533	535,533	5,355,330	5,355,330
2,753,833		2,753,833	
12,417,876		12,417,876	
381,657		381,657	
		Shares held by associated undertakings	
		91,285,100	
		5,355,330	
		27,538,330	
		124,178,760	
		3,816,570	
18.1	The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.		
19	LONG TERM FINANCING		
	From banking companies - secured		
	Conventional mode		
	MCB Bank Limited - Term finance - 1	19.1	17,683,000
	MCB Bank Limited - Term finance - 2	19.2	3,336,000
	MCB Bank Limited - Term finance - 3	19.3	4,390,222
	MCB Bank Limited - Term finance - 4	19.4	21,330,000
	MCB Bank Limited - Term finance - 5	19.5	15,000,000
	MCB Bank Limited - Term finance - 6	19.6	28,750,000
	MCB Bank Limited - Term finance - 7	19.7	18,442,000
	MCB Bank Limited - Term finance - 8	19.8	75,768,000
	MCB Bank Limited - Term finance - 8	19.8	26,831,000
	United Bank Limited - Term finance - 9	19.9	108,607,682
			320,137,904
	Less: Current portion shown under current liabilities		(37,798,664)
			282,339,240
19.1	This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 3.25% as per State Bank of Pakistan LTF scheme and is payable semi-annually over a period of 10 years after a grace period of 18 months with installments starting from November 2018. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 41 million (June 30, 2023: Rs. 41 million).		
19.2	This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 3.25% as per State Bank of Pakistan LTF scheme and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from October 2018. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 32 million (June 30, 2023: Rs. 32 million).		

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

- 19.3 This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 3.25% as per State Bank of Pakistan LTF scheme and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from August 2023. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 20 million (June 30, 2023: Rs. 20 million).
- 19.4 This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 1 located at Nooriabad. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years inclusive of 18 months grace period. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The sanctioned limit of the facility is Rs. 48 million (June 30, 2023: Rs. 48 million).
- 19.5 This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years inclusive of 18 months grace period. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The sanctioned limit of the facility is Rs. 27 million (June 30, 2023: Rs. 27 million).
- 19.5 This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from December 2024. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 190 million (June 30, 2023: 190 million).
- 19.7 This facility has been obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from May 2025. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 190 million (June 30, 2023: 190 million).
- 19.8 This facility was obtained from MCB Bank Limited for the import of machinery for planned BMR activity in existing units located at Bikhi-Punjab and Dadi-Sindh. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from May 2025. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million and exclusive charge on plant and machinery of Rs. 271.45 million. The sanctioned limit of the facility is Rs. 190 million (2023: Rs. 190 million).
- 19.9 This facility was obtained from United Bank Limited under the Temporary Economic Refinance (TERF) schemes of State Bank of Pakistan for the import of machinery for planned BMR activity in existing units located at Bikhi-Punjab. The rate of mark-up is SBP Rate (1%) + 3.50% and is payable semi-annually over a period of 10 years after a grace period of 2 years with installments starting from November 2024. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over present and future fixed assets at Nooriabad unit and pari passu equitable mortgage on land and building of the Company located in Faisalabad and Lahore aggregating to Rs. 400 million with 25% margin and exclusive charge on plant and machinery of Rs. 134 million. The sanctioned limit of the facility is Rs. 250 million (2023: Rs. 250 million).

Note	September 30, 2023 (Un-audited) Rupees	June 30, 2023 (Audited) Rupees
20 LEASE LIABILITIES		
Lease liabilities	135,011,711	146,556,372
Less: current portion	(9,183,550)	(11,092,699)
	<u>125,828,161</u>	<u>135,463,673</u>
Maturity analysis-contractual discounted cash flow:		
Less than one year	9,183,550	11,092,699
One to five years	<u>125,828,161</u>	<u>135,463,673</u>
Total discounted lease liability	<u>135,011,711</u>	<u>146,556,372</u>

- 20.1 When measuring the lease liabilities, the Company discounted the lease payments using financing rates ranging from 25.02% to 28.27% per annum (June 30, 2022: 14.43% to 27.26% per annum).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		September 30, 2023	June 30, 2023
		(Un-audited)	(Audited)
	Note	Rupees	Rupees
21 DEFERRED CAPITAL GRANT			
Deferred government grant against temporary economic refinance facility	21.1 & 21.2	141,392,318	137,289,317
Less: Current portion of government grant		<u>(19,033,568)</u>	<u>(15,484,898)</u>
		<u>122,358,750</u>	<u>121,804,419</u>
21.1	Following is the movement in capital grant during the period / year:		
Opening balance		137,289,317	1,034,420
Addition during the period		4,103,001	140,084,247
Amortised during the period		-	(3,829,350)
Closing balance		<u>141,392,318</u>	<u>137,289,317</u>
21.2	This represents government grant recognized on long term financing facilities obtained under Temporary Economic Refinance (TERF) schemes of State Bank of Pakistan as disclosed in note 23.11 to the financial statements. The Institute of Chartered Accountants of Pakistan (ICAP) issued the guidance for accounting of said financing through circular No. 11/2020. Accordingly, the Company recognised the Deferred Government Grant in accordance with the requirements of 'IAS 20-Accounting for Government Grants and Disclosure of Government Assistance'.		
22 TRADE AND OTHER PAYABLES			
Creditors	22.1	863,272,578	760,770,164
Accrued liabilities	22.2	768,190,579	731,275,941
Advance from customers		-	16,536,429
Payable to Provident Fund		3,583,738	4,145,816
Due to related party	22.3	86,707,889	23,696,548
Withholding tax payable		3,685,276	3,655,554
Workers' Welfare Fund		46,079,959	46,079,959
Other liabilities		<u>9,613,776</u>	<u>11,335,880</u>
		<u>1,781,133,795</u>	<u>1,597,496,291</u>
22.1	This includes balance amounting to Rs. 26.888 million (June 30, 2023: Rs. 3.328 million) due to an associated company.		
22.2	This includes the amount payable in respect of Gas Infrastructure Development Cess (GIDC) levied under GIDC Act, 2015. In November 2020, the Supreme Court dismissed the review petition seeking review of its order issued in favor of recovery for GIDC arrears. Accordingly, the Company is paying GIDC installments as per monthly billing by Sui Northern Gas Pipeline Limited (SNGPL), however, the matter with respect to GIDC billing by Sui Southern Gas Company (SSGC) is under litigation in High Court of Sindh. The liability is recognized as per the guidelines issued by Institute of Chartered Accountants of Pakistan dated January 21, 2021.		
22.3	This includes due to Chief Executive Officer, Directors and other related party amounting to Rs. 68.498 million (June 30, 2023: Rs.5.170 million) , Rs. 1.210 million (June 30, 2023: Rs. 1.210), Rs. 16.999 million (June 30, 2023: Rs.18.877 million) respectively. These balances do not carry any interest and are repayable on demand.		
23 SHORT TERM BORROWINGS			
From banking companies - secured			
Running / cash finance			
Islamic mode		211,521,337	47,770,723
Conventional mode		<u>302,707,476</u>	<u>580,335,518</u>
		<u>514,228,813</u>	<u>628,106,241</u>
23.1	The Company has obtained short term finance facilities from various commercial banks. The aggregate facilities under mark-up arrangements amounted to Rs.2.105 million (June 30, 2023: Rs. 2,105 million). The rate of mark up on these finance facilities ranges between 1 month to 6 months KIBOR plus 1.25% to 2.5% per annum (June 30, 2023: 1 month to 6 months KIBOR plus 1.25% to 2.5% per annum) and is payable quarterly.		
	The Company has a facility for opening letters of credit under mark-up arrangements amounting to Rs.300 million (June 30, 2023: Rs. 300 million) from a commercial bank. The unutilized balance at the end of the year was Rs. Nil (June 30, 2023: Rs. Nil).		
	These financing facilities are secured by way of pledge and floating charge over the current assets and personal guarantee of Directors and lien on import documents.		
24 CURRENT PORTION OF LONG TERM LIABILITIES			
Long term financing	19	37,798,664	39,298,664
Lease liabilities	20	9,183,550	11,092,699
Deferred government grant	21	<u>19,033,568</u>	<u>15,484,898</u>
		<u>66,015,782</u>	<u>65,876,261</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

25 CONTINGENCIES AND COMMITMENTS

25.1 Contingencies

- a) Crescent Cotton Mills Limited formerly (Crescent Sugar Mills and Distillery Limited) has filed a case against the Company for an amount of Rs. 53.850 million on the basis of case documents filed. The Company has a recorded liability of Rs. 17.542 million as the best estimate of amounts owed. No provision for the difference amount has been made as management is of the view that the basis is frivolous and in view of counter claims available with the Company, management is confident that the balance amount shall not be payable.
- b) The Company has filed a Constitutional Petition No. D-8408 along with other companies, dated December 12, 2017, in the High Court of Sindh challenging the levy of the Infrastructure Cess introduced through Sindh Finance Act 1994 and various amendments introduced through Sindh Finance (Amendment) Act 2008, Sindh Finance (Amendment) Act 2009, inter alia, seeking declaration that Sindh Development and Maintenance of Infrastructure Cess Act 2017 and the rule made thereunder through which a customs duty in the guise of infrastructure fee / cess has been imposed is unconstitutional. Based on legal advice dated September 17, 2020 on aforementioned litigation, the Company has good arguable grounds and there is no likelihood of unfavorable outcome against the Company.

25.2 Commitments

The Company was committed as at the reporting date as follows:

- a) Guarantees have been issued by banking companies in normal course of business amounting to Rs. 106.96 million (June 30, 2023 : Rs. 106.96 million).
- b) Letters of credit against import of raw cotton and spare parts amounting to Rs. 409.527 million (2023: Rs. 190.473 million) and Rs. 12.611 million (2023: Rs. 19.066 million) respectively.

26 COST OF SALES

	Quarter ended	
	September 30, 2023	September 30, 2022
	(Un-audited)	
	----- Rupees -----	
Materials consumed	1,408,778,495	1,601,505,513
Stores, spares and loose tools consumed	33,565,067	30,259,374
Packing material consumed	25,243,787	25,000,301
Salaries, wages and other benefits	130,259,612	145,649,645
Fuel and power	304,089,273	227,246,858
Insurance	6,398,719	5,688,964
Repairs and maintenance	4,571,461	4,713,740
Depreciation	19,618,043	22,481,136
Other manufacturing overheads	10,236,997	9,953,960
	1,942,761,454	2,072,499,490
Opening work in process	129,395,154	120,809,946
Closing work in process	(118,317,011)	(153,639,223)
	11,078,143	(32,829,277)
Cost of goods manufactured	1,953,839,597	2,039,670,213
Opening stock of finished goods	100,284,792	203,275,105
Closing stock of finished goods	(135,825,861)	(329,810,762)
	(35,541,069)	(126,535,657)
	1,918,298,528	1,913,134,556
	September 30, 2023	September 30, 2022
	(Un-audited)	(Un-audited)
	Rupees	Rupees
27 TAXATION		
Current	27.1	25,000,126
Deferred		1,756,500
		(16,236,925)
		8,763,201
		27,627,067

- 27.1 The Government has levied a special tax for tax year 2022 as per section 4C of the Income Tax Ordinance 2001. This new tax will be applicable on all persons at the rate of 10% on textile if earnings exceed more than 300 million and Company has accounted for provision in June 30, 2022. The Company has filed a Petition No. S2805/2022 against section 4C. with Honorable Lahore High Court. On December 27, 2022, Honorable Lahore High Court granted stay order to the Company in respect of this matter on the submission of postdated cheque. Subsequently on February 10, 2023 Honorable Lahore High Court directed the company to pay 50 percent tax liability i.e. 32.375 million and company has adjusted the amount of super tax from "Income tax refundable".

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

28 EARNINGS PER SHARE - BASIC AND DILUTED

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

	Quarter ended	
	September 30, 2023	September 30, 2022
	(Un-audited)	
	----- Rupees -----	
Profit for the period (Rupees)	(31,107,669)	8,050,187
Weighted average number of ordinary shares	12,417,876	12,417,876
Earnings per share - basic and diluted (Rupees)	(2.51)	0.65

29 CASH GENERATED FROM OPERATIONS

	September 30, 2023 (Un-audited) Rupees	September 30, 2022 (Un-audited) Rupees
Profit/(Loss) before taxation	(22,344,468)	35,677,254
Adjustment for non-cash charges and other items:		
Depreciation	22,719,610	77,111,224
Amortization	421,524	-
Gain on revaluation of held for sale investment	(19,903,200)	(3,632,085)
Gain on disposal of operating fixed assets	(1,644,000)	(5,034,912)
Grant income	554,331	-
Share of loss from associate	-	25,000
Financial charges	67,717,152	92,791,227
Allowance for expected credit loss	-	4,000,000
	<u>69,865,417</u>	<u>165,260,454</u>
Profit before working capital changes	47,520,949	200,937,708
Working capital changes	29.1 108,273,475	(825,087,252)
	<u>155,794,424</u>	<u>(624,149,544)</u>

29.1 Working capital changes

	September 30, 2023 (Un-audited) Rupees	September 30, 2022 (Un-audited) Rupees
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(212,927)	(14,380,611)
Stock in trade	2,809,223	(257,977,096)
Trade debts	(9,186,086)	(554,252,727)
Loans and advances	(109,566,690)	(186,936,612)
Trade deposits and short term prepayments	(24,586,425)	(6,262,846)
Other receivables	2,000,201	804,313
Tax refunds due from the Government	63,378,675	14,701,466
	<u>(75,364,029)</u>	<u>(1,004,304,113)</u>
(Decrease) / increase in current liabilities		
Trade and other payables	183,637,504	179,216,861
	<u>108,273,475</u>	<u>(825,087,252)</u>

30 TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise the subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of directors of the company. Detail of transactions with related parties during the year, other than disclosed elsewhere in the unconsolidated financial statements, are as follows:

Relation with the company	Nature of transaction	Name of the related party	Quarter ended	
			September 30, 2023 (Un-audited) Rupees	September 30, 2022 (Un-audited) Rupees
Associated companies	Sales of goods and services	Suraj Cotton Mills Limited	31,980,360	84,107,790
	Insurance premium	Premier Insurance Limited	37,246,912	30,530,166
	Rent received	Anil Exports (Private) Limited	235,587	214,170
Retirement benefit plans	Contribution to staff retirement benefit plans	Provident Fund	5,000,510	5,441,883
Director	Rent paid	Mr. Imran Maqbool	225,000	225,000
	Rent paid	Mr. Hamayun Maqbool	225,000	225,000
Others	Rent paid	Mrs. Khawar Maqbool	645,000	645,000
Chief Executive	Remuneration and benefits	Mr. Imran Maqbool	3,357,168	3,389,039
Director	Remuneration and benefits	Mr. Hamayun Maqbool	3,330,085	3,418,058
Key management personnel	Remuneration and benefits	Key management personnel	8,091,014	7,209,086

30.1 Period / year end balances

	September 30, 2023 (Un-audited) Rupees	June 30, 2023 (Audited) Rupees
Receivable from associated company - Suraj Cotton Mills Limited	9,409,007	9,963,174
Payable to associated company - Premier Insurance Limited	26,888,114	3,273,442
Payable to provident fund	3,583,738	5,054,015
Due to Chief Executive, Directors and close relative	63,011,341	23,262,445

Quarterly Report

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

31 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited unconsolidated financial statements for the year ended June 30, 2023.

32 FAIR VALUE MEASUREMENT - FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair values. Fair value is the price that would be received to sell an assets or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at September 30, 2023, the Company held the following financial instruments measured at fair value:

Level 1	Level 2	Level 3	Total
(Un-audited)			
Rupees			

At fair value through other comprehensive income

Short term investments	87,252,753	-	-	87,252,753
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As at June 30, 2023, the Company held the following financial instruments measured at fair value:

Level 1	Level 2	Level 3	Total
(Audited)			
Rupees			

At fair value through other comprehensive income

Short term investments	68,226,885	-	-	68,226,885
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Valuation techniques

For Level 3 fair value through other comprehensive income investments, the Company values the investment at lower of carrying value and breakup value.

Transfers between the levels of fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

Transfers during the period

During the period ended September 30, 2023, there were no transfers between level 1 and level 2 fair value measurement and into or out of Level 3 fair value measurements.

September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
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33 NUMBER OF EMPLOYEES

a) Number of employees as at September 30	1030	1022
Average number of employees	1015	1010

34 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

35 GENERAL

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

36 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 30, 2023 by the Board of Directors of the Company.



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