



**Crescent
Fibres**



**Quarterly Report
September 30, 2020**

Board of Directors	Nadeem Maqbool	(Chairman, Non-Executive Director)
	Imran Maqbool	(Chief Executive, Executive Director)
	Humayun Maqbool	(Executive Director)
	Naila Humayun Maqbool	(Non-Executive Director)
	Mansoor Riaz	(Non-Executive Director)
	Jahanzeb Saeed Khan	(Independent, Non-Executive Director)
	S.M. Ali Asif	(Independent, Non-Executive Director)
Chief Financial Officer	Kamran Rasheed	
Company Secretary	Javaid Hussain	
Audit Committee	Jahanzeb Saeed Khan	(Chairman)
	Nadeem Maqbool	(Member)
	Naila Humayun Maqbool	(Member)
Human Resources & Remuneration Committee	S.M. Ali Asif	(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.	
Registered Office	104 Shadman 1, Lahore - 54000 Tel : (042) 35960871-4 Lines Fax : (042) 35960004	
E-mail:	lo@crecentfibres.com	
Website:	www.crescentfibres.com	



DIRECTORS' REPORT

The Company reported a net profit of Rs. 47.9 million for the quarter ended September 30, 2020 as compared to a profit of Rs. 36.3 million for the quarter ended September 30, 2019. The earnings per share for the period under review was Rs. 3.86.

Sales for the period under review were 5.6% higher than the corresponding period, primarily due to an improvement in end product prices witnessed in the first quarter of the financial year. Gross margin for the first quarter ended September 30, 2020 was 9.0% as compared to 9.3% for the quarter ended September 30, 2019. Owing to higher sales, administrative, general and distribution expenses, as a percentage of sales, were slightly lower at 2.7% as compared to 2.9% in the corresponding period. The operating margin for the period under review was 6.5%, the same level as that for the quarter ended September 30, 2019. Financial charges, as a percentage of sales, were 1.9% as compared to 2.3% for the corresponding period. This is attributable to the decrease in interest rates arising from the expansionary monetary policy stance adopted by the State Bank of Pakistan in light of the global COVID-19 pandemic. Overall, the net margin was 3.3% as compared to 2.6% in the previous period.

The textile industry in Pakistan has been going through a prolonged recessionary period characterized by weak demand, low end-product prices and eroding margins. Factors contributing to this include high cost of doing business, increased financial and commodity market volatility and low domestic cotton yield and quality. The situation has been further exacerbated by the unprecedented global pandemic sweeping the globe which has resulted in large scale loss of life and economic mayhem. Despite large scale interventions by central banks, the financial, currency and commodity markets have seen large scale volatility. As more and more countries enforce lock downs, there has been wide scale demand destruction and the industrial chain has been brought to a halt. With the resurgence of the virus in most European and North American countries, the recovery is projected to be more gradual than previously forecast.

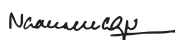
We expect the textile industry to remain under intense pressure as supply chains are disrupted, stores remain closed and the unemployment numbers rise. Even before the pandemic, the textile industry in Pakistan was already facing many challenges including continued shortfalls in cotton production, high cost of doing business, and high local taxes and surcharges. The Government must step in to save the industry from total closure by adopting an expansionary monetary policy, rapidly reducing interest rates, immediately suspending the sales tax regime, and improving liquidity by releasing long delayed income tax, sales tax and other rebates. Even if all these steps are adopted, the industry will struggle to survive over the near and medium term. The precise impact of the pandemic on future performance is very difficult to predict in light of uncertainty surrounding the availability of a vaccine, the deferring recovery rates in different countries a global recurrence. However, the Management will continue to rely on sound, low risk decision making to protect the interests of all stakeholders but expects a very difficult year ahead.

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

October 29, 2020



NADEEM MAQBOOL
Director

کمپنی نظام (ڈائریکٹران) کی رپورٹ:

کمپنی نے 30 ستمبر 2020 کو ختم ہونے والے سہ ماہی کے لئے 47.9 ملین روپے خالص منافع حاصل کیا جس کے مقابلے میں 30 ستمبر 2019 کو ختم ہونے والے سہ ماہی کا منافع 36.3 ملین روپے تھا۔ کمپنی کی آمدنی اس مدت میں 3.86 روپے فی حصہ رہی۔

زیر جائزہ مدت کیلئے مالیت فروخت اسی عرصے کے مقابلے میں 5.6 فیصد زیادہ رہی جس کی بنیادی وجہ مالیاتی سال کی پہلی سہ ماہی میں اختتامی مصنوعات کی قیمتوں میں بہتری تھی۔ 30 ستمبر 2020 کو ختم ہونے والی پہلی سہ ماہی کے لئے مجموعی منافع 9.0 فیصد رہا جبکہ 30 ستمبر 2019 کو ختم ہونے والی سہ ماہی کے دوران 9.3 فیصد تھا۔ اعلیٰ فروخت کی وجہ سے، انتظامی، عمومی اور تقسیم کے اخراجات، جو کہ فروخت کے فیصد کے حساب سے، اسی عرصے میں 2.9 فیصد کے مقابلے میں تھوڑے سے کم 2.7 فیصد رہے۔ زیر جائزہ مدت کے لئے آپریٹنگ منافع 6.5 فیصد رہا جو 30 ستمبر 2019 کو ختم ہونے والی سہ ماہی کے برابر ہی تھا۔ مالیاتی اخراجات، جو کہ فروخت کے فیصد کے حساب سے، اسی عرصے میں 2.3 فیصد کے مقابلے میں 1.9 فیصد تھے۔ جو کہ عالمی Covid-19 وبائی امراض کی روشنی میں سٹیٹ بینک آف پاکستان کی اختیار کردہ توسیعی مالیاتی پالیسی موقف سے پیدا ہونے والی شرح سود میں کمی کی وجہ سے ہے۔ مجموعی طور پر اس مدت میں خالص منافع 2.6 فیصد کے مقابلے میں 3.3 فیصد رہا۔

پاکستان میں ٹیکسٹائل کی صنعت طویل عرصہ سے ابتری کا شکار رہی۔ چیدہ چیدہ محرکات میں ٹیکسٹائل مصنوعات کی طلب میں کمی ہونا، مصنوعات کی قیمت فروخت میں کمی، صنعت کو متعلقہ فوائد کے حصول میں رکاوٹ، کاروبار کی اخراجات میں اضافہ، اسکے علاوہ مالیاتی اور مصنوعات کی مارکیٹ میں عدم استحکام میں اضافہ اور کم ملکی کپاس کی پیداوار اور کواٹی وغیرہ ہے۔ غیر معمولی عالمی وبائی کی وجہ سے یہ صورتحال مزید بڑھ گئی ہے جس کے نتیجے میں بڑے پیمانے پر چائی و مالی نقصان ہوا ہے۔ مرکزی بینکوں کے ذریعے بڑے پیمانے پر مداخلت کے باوجود، مالیاتی، کرنسی اور اجناس کی منڈیوں میں بڑے پیمانے پر اتار چڑھاؤ دیکھنے کو ملا ہے۔ چونکہ زیادہ سے زیادہ ممالک نے لاک ڈاؤن کو نافذ کیا جس کی وجہ سے وسیع پیمانے پر مانگ میں کمی ہوئی اور صنعتی سلسلہ رک گیا۔ زیادہ تر یورپی اور شمالی امریکہ کے ممالک میں اس وائرس کی واپسی کے ساتھ، بحالی کا اندازہ اس سے پہلے کی پیش گوئی کے مقابلے میں بتدریج زیادہ ہونے کا امکان ہے۔

ہمیں توقع ہے کہ ٹیکسٹائل انڈسٹری شدید دباؤ میں رہے گی کیونکہ سپلائی چین بند ہو جائے گی، دکانیں بند رہیں گی اور بے روزگاری کی تعداد میں اضافہ ہوگا۔ وبائی مرض سے پہلے ہی پاکستان میں ٹیکسٹائل کی صنعت کو بہت سارے چیلنجوں کا سامنا تھا جن میں روٹی کی پیداوار میں مسلسل کمی، کاروبار کرنے میں زیادہ لاگت اور اعلیٰ مقامی ٹیکسوں اور سرچارجز شامل ہیں۔ حکومت کی توسیعی مالیاتی پالیسی اپناتے ہوئے سود کی شرحوں میں تیزی سے کمی، فوری طور پر سبز ٹیکس حکومت کو معطل کرنے اور دیر سے انکم ٹیکس، سبز ٹیکس اور دیگر چھوٹ کو جاری کرتے ہوئے صنعت کو مکمل بندش سے بچانے کے لئے قدم اٹھانا چاہیے۔ یہاں تک کہ اگر یہ سارے اقدامات اپناتے جاتے ہیں تو بھی صنعت قریب اور درمیانی مدت تک زندہ رہنے کے لئے جدوجہد کرے گی۔ کسی وکسین کی دستیابی سے وابستہ غیر یقینی صورتحال کا جائزہ مختلف ممالک سے موصول ہونے والی بحالی کے لئے عالمی حکمران کی شرح کو دیکھتے ہوئے مستقل کی کارکردگی پر وبائی مرض کے اثر انداز ہونے کا اندازہ لگانا بہت مشکل ہے۔ نتیجہً تمام اسٹیٹک ہولڈرز کے مفادات کے تحفظ کے لئے مناسب، کم رسک فیصلے کرنے پر انحصار کرتی رہے گی لیکن اس کی توقع ہے کہ ایک بہت ہی مشکل سال ہوگا۔

کمپنی کی انتظامیہ عملے کی مسلسل محنت اور جذبے پر اچھے تعلقات کا اعتراف کرتی ہے اور کمپنی ڈائریکٹرز، مینکزر اور حصہ داران کا بھی مسلسل حمایت پر شکریہ ادا کرتی ہے۔

Naamunagp

ندیم مقبول

ڈائریکٹر

Imra Mawla

عمران مقبول

چیف ایگزیکٹو

تاریخ 29 اکتوبر 2020ء

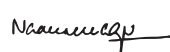


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2020 (UN-AUDITED)

		September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
Note			
ASSETS			
NON CURRENT ASSETS			
	Property, plant and equipment		
	Operating fixed assets	6	1,394,958,425
	Investment property	1,736,101,561	1,420,943,172
	Long term investments	238,912	1,736,101,561
	Long term deposits	22,104,878	254,212
		<u>3,153,403,776</u>	<u>22,558,778</u>
CURRENT ASSETS			
	Stores, spares and loose tools	7	73,303,481
	Stock in trade	8	567,214,868
	Trade debts	1,292,300,263	780,383,651
	Loans and advances	6,861,960	1,312,377,711
	Trade deposits and short term prepayments	23,871,567	12,458,369
	Other receivables	2,854,871	23,871,567
	Short term investments	9	71,189,930
	Tax refunds due from Government	10	11,451,959
	Taxation - net	-	11,451,959
	Cash and bank balances	11	149,041,166
		<u>2,198,090,065</u>	<u>11,075,021</u>
		<u>5,351,493,841</u>	<u>2,474,673,943</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
	Authorized share capital		
	15,000,000 (June 30, 2020: 15,000,000) ordinary shares of Rs. 10/- each	150,000,000	150,000,000
	Issued, subscribed and paid-up capital		
	12,417,876 (June 30, 2020: 12,417,876) ordinary shares of Rs. 10/- each	124,178,760	124,178,760
	Capital reserves		
	Surplus on revaluation of property, plant and equipment	1,993,825,768	1,993,825,768
	Unrealised gain on investments at fair value through other comprehensive income	39,109,666	53,077,963
		<u>2,032,935,434</u>	<u>2,046,903,731</u>
	Revenue reserves		
	Unappropriated profit	1,138,938,856	1,090,948,939
		<u>3,296,053,050</u>	<u>3,262,031,430</u>
NON CURRENT LIABILITIES			
	Long term financing	12	223,368,882
	Lease liabilities	13	47,425,484
	Deferred taxation	70,636,938	51,116,866
		<u>341,431,304</u>	<u>73,655,937</u>
CURRENT LIABILITIES			
	Trade and other payables	14	1,206,634,500
	Unclaimed dividend	2,423,578	1,185,456,175
	Mark-up accrued	15,199,438	2,423,578
	Short term borrowings	427,809,080	32,886,010
	Taxation - net	9,134,131	769,463,132
	Current portion of long term liabilities	52,808,760	54,129,656
		<u>1,714,009,487</u>	<u>2,044,358,551</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
		<u>5,351,493,841</u>	<u>5,654,531,666</u>

The annexed notes from 1 to 26 form an integral part of this condensed interim financial information.


IMRAN MAQBOOL
Chief Executive


NADEEM MAQBOOL
Director



KAMRAN RASHEED
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

		September 30, 2020	September 30, 2019
	Note	Rupees	Rupees
Sales - net		1,448,951,016	1,371,608,658
Cost of sales	17	(1,317,888,760)	(1,244,696,104)
Gross profit		131,062,256	126,912,554
General and administrative expenses		(32,993,466)	(35,409,111)
Distribution cost		(5,227,047)	(4,464,925)
Other operating income		6,451,699	7,683,231
Other operating expenses		(5,389,700)	(5,447,793)
		(37,158,514)	(37,638,598)
Operating profit		93,903,741	89,273,956
Financial charges		(26,955,191)	(31,229,413)
Share of loss from associate		(15,300)	(35,100)
		(26,970,491)	(31,264,513)
Profit before taxation		66,933,251	58,009,443
Taxation	18	(18,943,334)	(21,682,364)
Profit for the period		47,989,917	36,327,079
Earnings per share - basic and diluted	19	3.86	2.93

The annexed notes from 1 to 26 form an integral part of this condensed interim financial information.


IMRAN MAQBOOL
 Chief Executive


NADEEM MAQBOOL
 Director


KAMRAN RASHEED
 Chief Financial Officer



Quarterly Report

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

		September 30, 2020	September 30, 2019
	Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	20	363,186,133	438,064,741
Financial charges paid		(44,641,763)	(19,233,438)
Taxes paid		(11,547,180)	(35,994,450)
Net cash generated from / (used in) operating activities		306,997,190	382,836,853
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(453,900)	(38,187,864)
Short term investments		36,339,037	-
Long term deposits		453,900	(12,200)
Net cash (used in) / generated from investing activities		36,339,037	(38,200,064)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long term financing		(536,968)	(15,771,435)
Principal paid on lease liabilities		(4,475,310)	(1,079,846)
Short term borrowings - net		(341,654,052)	(312,034,765)
Net cash (used in) / generated from financing activities		(346,666,329)	(328,886,046)
Net increase in cash and cash equivalents		(3,330,102)	15,750,743
Cash and cash equivalents at the beginning of the period		152,371,268	132,762,450
Cash and cash equivalents at the end of the period		149,041,166	148,513,193

The annexed notes from 1 to 26 form an integral part of this condensed interim financial information.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	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, 2019	124,178,760	50,296,215	1,993,825,768	982,179,728	3,150,480,471
Total comprehensive income for the period					
Profit for the period	-	-	-	36,327,079	36,327,079
Other comprehensive loss					
Unrealised loss on revaluation of investments classified as 'fair value through other comprehensive income loss	-	(10,976,660)	-	-	(10,976,660)
	-	(10,976,660)	-	36,327,079	25,350,419
Balance as at September 30, 2019	124,178,760	39,319,555	1,993,825,768	1,018,506,807	3,175,830,890
Balance as at July 1, 2020	124,178,760	53,077,963	1,993,825,768	1,090,948,939	3,262,031,430
Total comprehensive income for the period					
Profit for the period	-	-	-	47,989,917	47,989,917
Other comprehensive loss					
Unrealised loss on revaluation of investments classified as 'fair value through other comprehensive income'	-	(13,968,297)	-	-	(13,968,297)
	-	(13,968,297)	-	47,989,917	34,021,620
Balance as at September 30, 2020	124,178,760	39,109,666	1,993,825,768	1,138,938,856	3,296,053,050


The annexed notes from 1 to 26 form an integral part of this condensed interim financial information.

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	September 30, 2020	September 30, 2019
	Rupees	Rupees
Profit for the period	47,989,917	36,327,079
Other comprehensive income		
Items that will be reclassified to statement of profit or loss subsequently		
Unrealised (loss) / gain on revaluation of investments classified as 'fair value through other comprehensive income'	(13,968,297)	(10,976,660)
Total comprehensive income for the period	34,021,620	25,350,419

The annexed notes from 1 to 26 form an integral part of this condensed interim financial information.


IMRAN MAQBOOL
Chief Executive


NADEEM MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

1 STATUS AND NATURE OF BUSINESS

Crescent Fibres Limited ("the Company") was incorporated in Pakistan on August 06, 1977 under the Companies Act, 1913 (repealed by 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 1, Lahore. The Company's manufacturing facilities are located at Plot No. B/123, Road No. D-7, Industrial Area, Nooriabad, District Dadu, in the Province of Sindh and at 17-KM, Faisalabad Road, Bhikhi, District Sheikhupura in the Province of Punjab.

3 BASIS OF PREPARATION

3.1 Statement of compliance

This condensed interim financial information is 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.

This condensed interim financial information of the Company for the three months ended September 30, 2020 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; and

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

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

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.

This condensed interim financial information does 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, 2020, 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 this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2020, 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 un-audited condensed interim financial information for the three months ended September 30, 2020.

3.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain investments, certain items of property, plant and equipment and investment property, which are carried at fair value.

This condensed interim financial information is prepared following accrual basis of accounting except for cash flow information.

3.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020, except as disclosed in note 4.1 to this condensed financial information.

The Company has adopted all the new standards and amendments to standards, including any consequential amendments to other standards which are applicable for the financial year beginning on July 1, 2019. The adoption of these new and amended standards did not have material impact on the Company's condensed interim financial information, except as disclosed in note 4.1.

4.1 IFRS 16 'Leases' was issued on January 01, 2016. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after January 1, 2019. IFRS 16 replaced IAS 17 'Leases' and IFRIC 4 'Determining whether an Arrangement contains a Lease'. The Company applied IFRS 16 with a date of initial application of July 01, 2019.

IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is twelve months or less, or where the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17, with the distinction between operating leases and finance leases being retained. The Company does not have significant impact of IFRS 16 due to short term lease contracts. However, the previously classified leased assets are now classified as right-of-use assets as per IFRS 16 in these condensed interim financial information.



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

5 ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments 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, 2020.

		September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
6 OPERATING FIXED ASSETS	Note		
Fixed assets	6.1	1,308,901,171	1,332,919,322
Right-of-use assets	6.2	86,057,254	88,023,850
		<u>1,394,958,425</u>	<u>1,420,943,172</u>
6.1 Fixed assets			
Opening net book value (NBV)		1,332,919,322	1,380,745,602
Transfer (at cost) from capital work in progress during the period / year		-	39,167,932
Transfer (at NBV) from right-of-use assets during the period / year		-	-
Additions (at cost) during the period / year	6.1.1	453,900	16,822,858
		<u>1,333,373,222</u>	<u>1,436,736,393</u>
Disposals (at NBV) during the period / year	6.1.2	-	441,002
Depreciation charged during the period / year		24,472,051	103,376,069
		<u>24,472,051</u>	<u>103,817,071</u>
Closing net book value (NBV)		<u>1,308,901,171</u>	<u>1,332,919,322</u>
6.1.1 Details of additions (at cost) during the period / year are as follows:			
Owned			
Plant and machinery		-	16,578,058
Vehicles		453,900	244,800
		<u>453,900</u>	<u>16,822,858</u>
6.1.2 Details of disposals (at NBV) during the period / year are as follows:			
Owned			
Vehicles		-	441,002
		<u>-</u>	<u>441,002</u>
6.2 Right-of-use assets			
Opening net book value (NBV)		88,023,850	11,700,000
Transfer (at NBV) to fixed assets during the period / year		-	-
Additions (at cost) during the period / year		-	85,042,000
Depreciation charged during the period / year		(1,966,596)	(8,718,150)
		<u>86,057,254</u>	<u>88,023,850</u>
7 STORES, SPARES AND LOOSE TOOLS			
Stores		54,773,828	53,879,253
Spares		26,352,831	24,175,877
Loose tools		79,894	43,702
		<u>81,206,553</u>	<u>78,098,832</u>
Less: Provision for slow moving items	7.1	(7,903,072)	(7,903,072)
		<u>73,303,481</u>	<u>70,195,760</u>
7.1 Provision for slow moving items			
Balance at the beginning of the period / year		7,903,072	6,184,883
Provision recognised during period / year		-	1,718,189
Balance at the end of the period / year		<u>7,903,072</u>	<u>7,903,072</u>
8 STOCK IN TRADE			
Raw material in hand		429,819,760	595,937,986
Work-in-process		70,883,776	78,313,474
Finished goods		66,511,333	106,132,191
		<u>567,214,868</u>	<u>780,383,651</u>
9 SHORT TERM INVESTMENTS			
At fair value through profit or loss	9.1	-	36,225,297
At fair value through other comprehensive income	9.2	69,989,930	83,958,227
At amortised cost	9.3	1,200,000	1,200,000
		<u>71,189,930</u>	<u>121,383,524</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

		September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
9.1 Fair value through profit or loss - units of mutual fund			
Cost		-	34,689,360
Gain / (loss) on revaluation of investments		-	1,535,937
		<u>-</u>	<u>36,225,297</u>
9.2 Fair value through other comprehensive income			
Cost		43,529,179	43,529,179
Revaluation surplus			
Opening balance		53,077,963	50,296,215
Deficit for the period / year		(13,968,297)	2,781,748
Closing balance		39,109,666	53,077,963
Impairment loss		(12,648,915)	(12,648,915)
		<u>69,989,930</u>	<u>83,958,227</u>
9.3 Amortised cost			
Term deposit certificates	9.3.1	1,200,000	1,200,000
9.3.1 These term deposit certificates carry mark-up at rates ranging from 6.50% to 7.05% per annum (June 30, 2012: 6.50% to 7.05% per annum).			
10 TAX REFUNDS DUE FROM GOVERNMENT			
Income tax refundable		11,451,959	11,451,959
		<u>11,451,959</u>	<u>11,451,959</u>
11 CASH AND BANK BALANCES			
Cash in hand		384,504	995,690
Cash with banks			
In current accounts		48,891,854	48,999,221
In savings accounts	11.1	99,764,808	102,376,357
		<u>148,656,662</u>	<u>151,375,578</u>
		<u>149,041,166</u>	<u>152,371,268</u>
11.1 The balance in savings accounts carry mark-up at the rates ranging from 6.5% to 10.25% per annum (June 30, 2020: 6.5% to 10.25% per annum).			
12 LONG TERM FINANCING			
From banking companies - secured			
Term finance 1	12.1	81,833,199	81,833,199
Term finance 2	12.2	3,659,700	3,659,700
Term finance 3	12.3	19,786,336	19,786,336
Term finance 4	12.4	15,666,668	15,666,668
Term finance 5	12.5	30,949,000	30,949,000
Term finance 6	12.6	16,676,000	16,676,000
Term finance 7	12.7	15,365,778	15,365,778
Term finance 8	12.8	48,000,000	48,000,000
Term finance 9	12.9	27,000,000	27,000,000
		<u>258,936,681</u>	<u>258,936,681</u>
From musharka companies			
Term finance 10	12.10	1,214,505	1,457,404
Term finance 11	12.11	479,038	574,849
Term finance 12	12.12	1,255,636	1,453,894
		<u>2,949,179</u>	<u>3,486,147</u>
		<u>261,885,860</u>	<u>262,422,828</u>
Less: Current portion shown under current liabilities		(38,516,978)	(39,053,946)
		<u>223,368,882</u>	<u>223,368,882</u>
12.1 This facility has been obtained from United Bank Limited for extension of Textile Unit 1 located at Nooriabad. The rate of mark-up is 6 months KIBOR + 2.25% per annum (June 30, 2019: 6 months KIBOR + 2.25% per annum) and is payable semi-annually over a period of 6 years, after a grace period of 18 months, with installments starting from May, 2017. This finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 400 million. The sanctioned limit of the facility is Rs. 300 million (June 30, 2020: Rs. 300 million).			
12.2 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 9% per annum (June 30, 2019: 9% per annum), 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 July, 2016. This 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. 32.937 million (June 30, 2020: Rs. 32.937 million).			
12.3 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 6 months KIBOR + 2.5% per annum (June 30, 2019: 6 months KIBOR + 2.5% per annum) and is payable semi-annually over a period of 6 years, after a grace period of 18 months, with installments starting from July, 2017. This 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. 59.359 million (June 30, 2020: Rs. 59.359 million).			
12.4 This facility has been obtained from United Bank Limited to import plant and machinery. The rate of mark-up is 4.50% per annum (June 30, 2019: 4.50% per annum), as per State Bank of Pakistan LTF scheme, and is payable semi-annually over a period of 4.5 years, after a grace period of 18 months, with installments starting from August, 2017. This finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 400 million (June 30, 2020: Rs. 400 million).			



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

- 12.5 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 3.25% per annum (June 30, 2019: 3.25% per annum), 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. This 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, 2020: Rs. 41 million).
- 12.6 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% per annum (June 30, 2019: 3.25% per annum), 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. This 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, 2020: Rs. 32 million).
- 12.7 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 3.25% per annum (June 30, 2019: 3.25% per annum), 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, 2017. This 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, 2020: Rs. 20 million).
- 12.8 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% per annum, (June 30, 2019: KIBOR + 1.25% per annum) and is payable semi-annually over a period of 6 years, after a grace period of 18 months. This 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, 2020: Rs. 48 million).
- 12.9 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% per annum (June 30, 2019: 6 months KIBOR + 1.25% per annum) and is payable semi-annually over a period of 6 years, after a grace period of 18 months. This 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, 2020: Rs. 27 million).
- 12.10 This facility has been obtained from Orix Modaraba for purchases of vehicle for uses of employees of Crescent Fibres Limited. The rate of mark-up is 6 months KIBOR + 2.5% per annum (June 30, 2019: 6 months KIBOR + 2.5% per annum) and is payable monthly over a period of 2 years, after a grace period of 12 months, with installments starting from January, 2020. This finance facility is secured against personal guarantees of Directors upto Rs. 15 million. The sanctioned limit of the facility is Rs. 2.429 million (June 30, 2020: Rs. 2.429 million).
- 12.11 This facility has been obtained from Orix Modaraba for purchases of vehicle for uses of employees of Crescent Fibres Limited. The rate of mark-up is 6 months KIBOR + 2.5% per annum (June 30, 2019: 6 months KIBOR + 2.5% per annum) and is payable monthly over a period of 2.5 years, after a grace period of 6 months, with installments starting from January, 2019. This finance facility is secured against personal guarantees of Directors upto Rs. 15 million. The sanctioned limit of the facility is Rs. 2.149 million (June 30, 2020: Rs. 2.149 million).
- 12.12 This facility has been obtained from Orix Modaraba for purchases of vehicle for uses of employees of Crescent Fibres Limited. The rate of mark-up is 6 months KIBOR + 2.5% per annum (June 30, 2019: 6 months KIBOR + 2.5% per annum) and is payable monthly over a period of 3 years, with installments starting from May, 2019. This finance facility is secured against personal guarantees of Directors upto Rs. 15 million. The sanctioned limit of the facility is Rs. 3.379 million (June 30, 2020: Rs. 2.379 million).

Note	September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
13 LEASE LIABILITIES		
Lease liabilities	61,717,266	66,192,576
Less: Current portion	(14,291,782)	(15,075,710)
	47,425,484	51,116,866
Maturity analysis-contractual discounted cashflow:		
Less than one year	14,291,782	15,075,710
One to five years	47,425,484	51,116,866
Total discounted lease liability	61,717,266	66,192,576

- 13.1 When measuring the lease liabilities, the Company discounted the lease payments using financing rates ranging from 8.93% to 16.9% per annum (June 30, 2019: 8.93% to 15% per annum).

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

		September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
14	TRADE AND OTHER PAYABLES		
	Creditors	14.1 438,362,176	452,948,947
	Accrued liabilities	14.2 654,623,323	651,532,746
	Sales Tax Payable	43,543,724	25,101,621
	Advance from customers	9,142,645	9,142,642
	Payable to Provident Fund	12,262,886	1,991,016
	Workers' Profit Participation Fund	11,687,225	8,084,181
	Due to related party	14.3 22,253,715	23,689,715
	Withholding tax payable	1,419,850	1,598,916
	Workers' Welfare Fund	10,475,248	9,181,092
	Other liabilities	2,863,707	2,185,299
		<u>1,206,634,500</u>	<u>1,185,456,175</u>

14.1 This includes balance amounting to Rs. 11.914 million (June 30, 2020: Rs. 10.273 million) due to an associated company.

14.2 This includes an amount of Rs. 324.383 million (2020: Rs. 324.383 million) payable in respect of Gas Infrastructure Development Cess (GIDC) levied under GIDC Act, 2015. Subsequent to the year end, based on appeal filed by the Government, the Supreme Court of Pakistan in its judgement dismissed all the petition filed against the aforesaid matter and decided in favour of Federal Government.

Accordingly, as per the direction given in the said judgement, Company would be required to pay the amount of levy payable upto July 2020 in twenty four equal monthly installment commenced from August, 2020. Late payment surcharge amounting to Rs. 56.695 is reversed during the year which is no more payable as per the aforesaid judgment.

Based on appeal filed by the Company, High Court of Sindh issued a stay order dated September 29, 2020. As per the direction given, the Federal Government is restrained from taking any coercive action against the Company for the non payment of installments of GIDC till the next date of hearing.

14.3 This represents an interest free loan which is payable on demand.

15 SHORT TERM BORROWINGS

From banking companies - secured

Running / cash finance

Islamic mode

Conventional mode

	-	205,545,535
15.1	427,809,080	563,917,597
	<u>427,809,080</u>	<u>769,463,132</u>

15.1 The Company has obtained short term finance facilities from various commercial banks. The aggregate facilities under mark-up arrangements amounted to Rs. 1,030 million (June 30, 2020: Rs. 1,030 million). The rate of mark-up on these finance facilities ranges between 1 month and 3 months KIBOR plus 1.25% to 2.00% per annum (June 30, 2020: 1 month and 3 months KIBOR plus 1.25% to 2.00% per annum) and was payable quarterly.

The Company has a facility for opening letters of credit amounting to Rs. 300 million (June 30, 2020: Rs. 300 million) from a commercial bank. The unutilized balance at the end of the period was Rs. Nil (June 30, 2020: Rs. 94.454 million).

These financing facilities are secured by way of pledge and floating charge over the current assets, personal guarantee of Directors and lien on import documents.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

- There is a contingent liability in respect of bank guarantees issued by the Company's bankers in the ordinary course of business aggregating to Rs. 92.888 million (June 30, 2020)
- Crescent Cotton Mills Limited has filed a case against Company for an amount of Rs. 53.850 million on the basis of case documents filed. The Company has recorded a 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.



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

- c) Finance Act, 2017 introduced a new section 5A to the Income Tax Ordinance, 2001 on the subject of tax on undistributed profit, according to which, for tax year 2017 and onward, a tax shall be imposed at the rate of 7.5% of its accounting profit before tax on every public company, other than a scheduled bank or a modaraba, that derives profit for a tax year but does not distribute at least 40% of its after tax profits within six months of the end of the tax year through cash or bonus shares.

Further, Finance Act, 2018 amended the section 5A to the Income Tax Ordinance, 2001 on the subject of tax on undistributed profit, according to which, for tax year 2018 and onward, a tax shall be imposed at the rate of 5% of its accounting profit before tax on every public company, other than a scheduled bank or a modaraba, that drives profit for a tax year but does not distribute at least 20% of its after tax profits within six months of the end of the tax year through cash.

The Company has reported profit after tax for Tax Year 2017 and 2018 and the requisite dividend has not been distributed by the year end, therefore, the Company shall be obligated to tax if the Company has not distributed requisite dividend within the prescribed time frame. However, if the Company doesn't distribute the cash dividend within the prescribed time, the Company will have to pay tax at the rate of five percent of its accounting profit before tax.

Further, the Company has filed a Constitutional Petition No. D-8409 against Finance Act, 2017 Section 5A with Honourable High Court of Sindh. On September 05, 2017, the Honourable High Court of Sindh granted stay to all petitioners including the Company in respect of this matter by virtue of which Tax Authorities have been restrained from taking any coercive actions against the Company in respect of section 5A of the Income Tax Ordinance, 2001. Accordingly, no provision is recognized in this respect. The said provision has been withdrawn in Finance Act, 2019.

- d) 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.

16.2 Commitments

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

- a) The Company is committed as at the reporting date in respect of letters of credit against import of raw cotton amounting to Rs. Nil (June 30, 2020: Rs.2.843 million).
- b) The amount of future Ijarah rentals for Ijarah financing and the period in which these payments will become due are as follows:

	September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
Not later than one year	-	37,178
Later than one year and not later than five years	-	-
	-	37,178

17 COST OF SALES

	September 30, 2020 (Un-audited) Rupees	September 30, 2019 (Un-audited) Rupees
Materials consumed	829,680,512	897,488,671
Stores, spares and loose tools consumed	26,436,280	25,656,009
Packing material consumed	18,676,712	16,333,799
Salaries, wages and other benefits	114,743,033	103,097,982
Fuel and power	133,715,944	169,314,571
Insurance	3,058,440	2,815,000
Repairs and maintenance	2,769,962	813,344
Depreciation	24,443,842	23,892,187
Other manufacturing overheads	6,483,299	8,770,268
	1,160,008,022	1,248,181,831
Opening work in process	78,313,474	83,313,557
Closing work in process	(70,883,776)	(86,458,157)
	7,429,698	(3,144,600)
Cost of goods manufactured	1,167,437,720	1,245,037,231
Cost of goods purchased for trading	110,830,182	59,961,805
Opening stock of finished goods	106,132,191	31,331,103
Closing stock of finished goods	(66,511,333)	(91,634,035)
	39,620,858	(60,302,932)
	1,317,888,760	1,244,696,104
	September 30, 2020 (Un-audited) Rupees	September 30, 2019 (Un-audited) Rupees
Current	21,962,334	19,885,332
Prior	-	-
	21,962,334	19,885,332
Deferred	(3,019,000)	1,797,032
	18,943,334	21,682,364

18 TAXATION

Current	21,962,334	19,885,332
Prior	-	-
	21,962,334	19,885,332
Deferred	(3,019,000)	1,797,032
	18,943,334	21,682,364

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

19 EARNINGS PER SHARE - BASIC AND DILUTED

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

	September 30, 2020	September 30, 2019
	(Un-audited)	
	-----Rupees-----	
Profit for the period (Rupees)	47,989,917	36,327,079
Weighted average number of ordinary shares	12,417,876	12,417,876
Earnings per share - basic and diluted (Rupees)	3.86	2.93

	September 30, 2020	September 30, 2019
	(Un-audited)	(Un-audited)
	Rupees	Rupees

20 CASH GENERATED FROM OPERATIONS

Profit before taxation	66,933,251	58,009,443
Adjustment for non-cash charges and other items:		

Depreciation	26,438,647	26,354,172
Gain on sale and lease back	-	(44,861)
Unrealised (gain) / loss on revaluation of investments classified as 'fair value through profit or loss	(113,400)	990,138
Share of loss from associate	15,300	35,100
Financial charges	26,955,191	31,229,413

	53,295,398	58,563,962
Profit before working capital changes	120,228,649	116,573,405
Working capital changes	242,957,484	321,491,336
	363,186,133	438,064,741

20.1 Working capital changes

(Increase) / decrease in current assets:		
Stores, spares and loose tools	(3,107,721)	(4,742,355)
Stock in trade	213,168,783	258,756,121
Trade debts	20,077,448	(106,239,417)
Loans and advances	5,596,409	7,909,879
Trade deposits and short term prepayments	(12,796,546)	(7,352,083)
Other receivables	(1,159,213)	1,473,468
Tax refunds due from the Government	-	45,912,136
	221,779,159	195,717,749
Increase in current liabilities		
Trade and other payables	21,178,325	125,773,587
	242,957,484	321,491,336

21 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise of group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are as under:

Relation with the company	Nature of transaction	Name of the related party	September 30, 2020	September 30, 2019
			(Un-audited)	
			-----Rupees-----	
Associated companies	Sales of goods and services	Suraj Cotton Mills Limited	2,436,600	29,470,300
	Insurance premium	Premier Insurance Limited	19,155,970	11,554,082
	Donation paid	Maqbool Trust	-	30,000
	Rent received	Amil Exports (Private) Limited	169,035	161,070
Retirement benefit plans	Contribution to staff retirement benefit plans	Provident Fund	4,310,225	3,720,501
Director	Rent paid	Mr. Imran Maqbool	225,000	180,000
	Rent paid	Mr. Humayun Maqbool	225,000	180,000
Others	Rent paid	Ms. Khawar Maqbool	645,000	645,000
Chief executive	Remuneration and benefits	Mr. Imran Maqbool	2,629,932	2,432,546
Director	Remuneration and benefits	Mr. Humayun Maqbool	2,622,831	2,407,004
Key management personnel	Remuneration and benefits	Key management personnel	5,117,241	3,758,340



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	September 30, 2020 (Un-audited) Rupees	June 30, 2020 (Audited) Rupees
21.1 Period / year end balances		
Receivable from associated company - Suraj Cotton Mills Limited	3,534	6,085,404
Payable to associated company - Premier Insurance Limited	1,515,300	10,273,030
Payable to provident fund	5,213,249	1,991,014
Due to Chief Executive and Directors	24,189,715	23,689,715

21.2 There are no transactions with key management personnel other than under their terms of employment.

21.3 The above transactions with related parties are based at arm's length at normal commercial rates.

22 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, 2020, the Company held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
At fair value through profit or loss				
Short term investments	-	-	-	-
At fair value through other comprehensive income				
Short term investments	69,931,230	-	58,700	69,989,930

As at June 30, 2020, the Company held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
At fair value through profit or loss				
Short term investments	36,225,297	-	-	36,225,297
At fair value through other comprehensive income				
Short term investments	83,899,527	-	58,700	83,958,227

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.

23 NUMBER OF EMPLOYEES

	September 30, 2020 (Un-audited)	June 30, 2020 (Audited)
a) Number of employees as at	1042	1039
Average number of employees	1054	1056
b) Number of factory employees as at	998	999
Average number of factory employees during the period	985	982

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

24 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 29, 2020 by the Board of Directors of the Company.

25 CORRESPONDING FIGURES


Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

26 GENERAL

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



IMRAN MAQBOOL
Chief Executive



NADEEM MAQBOOL
Director



KAMRAN RASHEED
Chief Financial Officer



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