



HALF YEAR
DECEMBER 31 | 2018



| The Crescent Textile Mills Limited



CONTENTS

Company Information	3
Directors' Report	4
Directors' Report (Urdu)	5
Independent Auditor's Review Report	6
Condensed Interim Statement of Financial Position	7
Condensed Interim Statement of Profit or Loss	8
Condensed Interim Statement of Comprehensive Income	9
Condensed Interim Statement of Changes in Equity	10
Condensed Interim Statement of Cash Flows	11
Selected Notes to the Condensed Interim Financial Statements	12

COMPANY INFORMATION

Board of Directors

Mr. Khalid Bashir	Chairman	Bankers
Mr. Muhammad Anwar	Chief Executive Officer	Al Baraka Bank (Pakistan) Limited
Mr. Ahmad Shafi	Director	Allied Bank Limited
Mr. Amjad Mehmood	Director	Habib Bank Limited
Mr. Anjum Muhammad Saleem	Director	MCB Bank Limited
Mr. Shaukat Shafi	Director	National Bank of Pakistan
Mr. Khurram Mazhar Karim	Director	Standard Chartered Bank (Pakistan) Limited
Mr. Muhammad Arshad (Nominee NIT)	Independent Director	The Bank of Punjab
		United Bank Limited

Audit Committee

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

HR & R Committee

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

Chief Financial Officer

Mr. Asim Siddique

Corporate Secretary

Mr. Naseer Ahmad Chaudhary

Mills & Registered Office

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

Head of Internal Audit

Mr. Muhammad Waqar Iqbal

Auditors

Riaz Ahmed & Company
Chartered Accountants

Legal Advisor

Syed Masroor Ahmad

Share Registrar

CorpTec Associates (Pvt) Ltd.,
503 - E, Johar Town,
Lahore, Pakistan
T: +92-42-35170336-37
F: +92-42-35170338
E: info@corpTec.com.pk

Stock Exchange Listing

The Crescent Textile Mills Limited is a listed Company and its shares are traded on Pakistan Stock Exchange.

The Company's shares are quoted in leading dailies under textile composite sector.

www.crescenttextile.com

DIRECTORS' REPORT

for the Half Year Ended December 31, 2018

Your directors are pleased to present the Directors' report of the Company for 1st Half Year ended on December 31, 2018.

Industry Review

Pakistan's textile exports have witnessed a very meager increase of 0.05% during first half year of Financial Year 2019 in comparison to the same period of last year. Knitwear continues to be the star performer of the textile group in terms of growth and registered an increase of 10.50% followed by bed wear sector with 3.30% growth. This slight increase depicts that rupee devaluation failed to push exports. On external front, the current account deficit recorded a reduction of 4.40%. This improvement is largely driven by a sharp decrease in import of goods and services. A marginal increase in exports and a healthy growth in remittances also helped to reduce the current account deficit.

Company's Performance

Financial Highlights of the Company are as follows:

1st Half Year	Half Year Dec 2018	Half Year Dec 2017	Variance	Increase/ (decrease) %
Sales revenue	6,958	5,316	1,642	31
Gross profit	755	520	235	45
Operating costs	525	416	109	26
Other income	258	247	11	4
Finance cost	136	151	(15)	(10)
Profit/ (loss) before tax	54	(15)	69	460
Taxation	55	22	33	150
Net profit/ (loss) after taxation	0.69	0.28	0.41	146

Top line of the Company grew by 31% from Rs 5.316 billion to Rs 6.958 billion in comparison to the same period of last year. This increase is mainly attributed to significant increase (59%) in export sale. Gross profit improved from 9.7% to 10.8% mainly due to high volume and marginal increase in average selling rates of both local and export sale. Cotton and polyester prices increased by 28% and 42% respectively in comparison to the same period of last year but un-precedent rupee devaluation during last one year provided some respite in gross margins. Operating cost increased by 26% due to significant increase in distribution cost on account of export freight. Other income squeezed by 10% due to decrease in dividend income. Finance cost increased by 4% in comparison to the same period of last year from Rs 247 million to Rs 258 million. This increase was attributed to an aggregate increase in SBP policy rate by 250 bps in comparison to the same period of last year.

Future Outlook

We are committed to perform in best possible manner and add value to our stakeholders to meet the long term goals of company. For improving quality of our products, we will continue to invest on our human capital development. We expect better performance of textile sector in the coming months due to Government's commitment to provide gas and electricity at concessionary prices and withdrawal of duties on imported cotton.

for and on behalf of the Board.


Muhammad Anwar
Chief Executive Officer


Khalid Bashir
Director

آپ کے ڈائریکٹرز سپلے ششماہی ختمہ 31 دسمبر 2018ء کے لیے اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

صنعتی جائزہ:

مالی سال 2019 کی پہلی ششماہی میں پچھلے سال کی اسی مدت کے مقابلہ میں پاکستان کی ٹیکسٹائل برآمدات میں 0.05 فیصد کا معمولی اضافہ دیکھنے میں آیا ہے۔ بڑھوتری کے معاملے میں نٹ وئیر کے شعبہ نے بہترین کارکردگی جاری رکھی اور اس میں 10.50 فیصد کے حساب سے بڑھوتری ریکارڈ کی گئی جبکہ اس کے بعد بیوڈیئر کے شعبہ میں 3.30 فیصد اضافہ ہوا۔ اس معمولی اضافہ سے پتہ چلتا ہے کہ روپے کی قدر میں کمی برآمدات بڑھانے میں نا کام رہی ہے۔ بیرونی محاذ پر کرنٹ اکاؤنٹ خسارہ جس 4.40 فیصد کی کمی ریکارڈ کی گئی ہے۔ یہ بہتری بڑے پیمانے پر ایشیا اور خدمات کی درآمدات کی کمی کے مرہون منت ہے۔ برآمدات میں نمایاں اضافہ اور ترسیلات میں سخت منداضافہ سے بھی کرنٹ اکاؤنٹ خسارہ کم کرنے میں مدد دی۔

کمپنی کی کارکردگی:

گزشتہ سال کی اسی مدت کے مقابلے میں کمپنی کے مالیاتی نتائج کا خلاصہ برائے پہلی ششماہی مالیاتی سال 2019ء درج ذیل ہے:


لیٹین روپے	ششماہی ختمہ دسمبر 2018	ششماہی ختمہ دسمبر 2017	فرق	فیصد اضافہ / (کمی)
خالص فروخت	6,958	5,316	1,642	31
خام منافع	755	520	235	45
عملی لاگت	525	416	109	26
مالیاتی لاگت	258	247	11	4
دیگرا مدنی	136	151	(15)	(10)
محصولات	54	(15)	69	460
خالص منافع بعد از محصولات	55	22	33	150
فی شخص آمدنی	0.69	0.28	0.41	146


کمپنی کی بالائی سطح پچھلے سال کی اسی مدت کے مقابلہ میں 5,316 لیٹین روپے سے بڑھ کر 6,958 لیٹین روپے ہو گئی اور اس طرح 31 فیصد کا اضافہ ہوا۔ اس اضافہ کا سہرا بنیادی طور پر برآمدات کی فروخت میں 59 فیصد کے نمایاں اضافے کے سہ ہے۔ مقامی اور برآمدات کی فروخت کی اوسط شرح فروخت اور حجم میں نمایاں اضافے کی وجہ سے خام منافع 9.7 فیصد سے بڑھ کر 10.8 فیصد ہو گیا۔ پچھلے سال کی اسی مدت کے مقابلہ میں کاشن اور پولیسٹر کی قیمتوں میں باآزبیب 28 فیصد اور 42 فیصد کا اضافہ ہوا لیکن پچھلے ایک سال کے دوران روپے کی قدر میں غیر معمولی کمی نے مجموعی منافع میں کچھ وقفہ فراہم کیا۔ عملی لاگت میں 26 فیصد کا اضافہ ہوا جس کی وجہ برآمدی کرایہ جات کی مد میں تقسیم کی لاگت میں نمایاں اضافہ تھا۔ ڈیویڈنڈ آمدنی میں کمی کی وجہ سے دیگرا مدنی میں 10 فیصد کمی ہوئی۔ مالیاتی لاگت پچھلے سال کی اسی مدت کے مقابلہ میں 247 لیٹین روپے سے 4 فیصد بڑھ کر 258 لیٹین روپے ہو گئی۔ اس اضافہ کی وجہ گزشتہ سال کے اسی عرصہ کے مقابلہ میں ٹیٹ بینک آف پاکستان کے پالیسی ریٹ میں 250 بی پی ایس کا مجموعی اضافہ بنی۔

مستقبل کا لاگت عمل:

ہم کمپنی کے طویل المدت اہداف کی تکمیل کے لیے ہر ممکن طریقے سے کارکردگی بڑھانے اور اپنے اسٹیک ہولڈرز کے ساتھ قدر راہنما کے لیے ہر عزم ہیں۔ اپنی مصنوعات کی کارکردگی بڑھانے کے لیے ہم بیوڈیئر کی ڈیویڈنڈ میں سرمایہ کاری جاری رکھیں گے۔ گیس اور بجلی رعایتی قیمت پر مہیا کرنے اور درآمدی کاشن پر ڈیویڈنڈ اٹھانے کے حکومتی وعدوں کی وجہ سے ہم آئے والے مہینوں میں ٹیکسٹائل کے شعبہ میں بہتر کارکردگی کی توقع رکھتے ہیں۔

منجانب: یورڈ آف ڈائریکٹرز


خالد بشیر
ڈائریکٹر


محمد انور
چیف ایگزیکٹو آفیسر

INDEPENDENT AUDITOR'S REVIEW REPORT

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of THE CRESCENT TEXTILE MILLS LIMITED ("the Company") as at 31 December 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the accounts for the six-month period then ended (here-in-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 31 December 2017 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-month period ended 31 December 2018.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's report is Liaqat Ali Panwar.

Riaz Ahmad & Company
Chartered Accountants



February 28, 2019
Faisalabad

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

as at December 31, 2018

(Rupees in '000)	Note	Un-Audited December 31, 2018	Audited June 30, 2018
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100 000 000 (June 30, 2018: 100 000 000) ordinary shares of Rupees 10 each		1,000,000	1,000,000
Issued, subscribed and paid up share capital		800,000	800,000
Capital reserves		200,169	200,169
Premium on issue of right shares		851,459	1,225,974
Fair value reserve		3,567,492	3,567,516
Surplus on revaluation of operating fixed assets - net of deferred income tax		2,688,842	2,576,670
Revenue reserves		8,107,962	8,370,329
TOTAL EQUITY		8,107,962	8,370,329
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	3	1,153,470	845,071
CURRENT LIABILITIES			
Trade and other payables		2,028,062	1,488,144
Unclaimed dividend		9,491	9,513
Accrued mark-up		95,282	85,596
Short term borrowings		6,011,760	6,416,791
Current portion of long term financing	3	258,038	258,038
Provision for taxation		67,319	140,604
TOTAL LIABILITIES		8,469,952	8,398,686
TOTAL EQUITY AND LIABILITIES		17,731,384	17,614,086
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	4	17,731,384	17,614,086
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,697,373	6,328,138
Intangible asset		8,972	12,139
Long term investments		3,418,678	3,736,188
Long term loans and advances		357	1,082
Long term deposits and prepayments		28,890	10,276
Deferred income tax asset		132,954	127,820
		10,287,224	10,215,643
CURRENT ASSETS			
Stores, spare parts and loose tools		247,492	198,030
Stock-in-trade		2,473,892	2,588,958
Trade debts		2,414,598	2,346,338
Loans and advances		666,834	687,038
Short term deposits and prepayments		63,981	60,714
Accrued interest		3,647	3,181
Other receivables		1,462,098	1,416,322
Short term investment		99,264	94,449
Cash and bank balances		12,354	3,413
TOTAL ASSETS		17,731,384	17,614,086

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


Muhammad Anwar
Chief Executive Officer


Khalid Bashir
Director


Asim Siddique
Chief Financial Officer

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

for the Half Year Ended December 31, 2018

(Rupees in '000)	Note	Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Revenue		6,958,437	5,315,507	3,457,908	2,905,530
Cost of sales	6	(6,203,516)	(4,796,000)	(3,102,291)	(2,577,967)
Gross profit		754,921	519,507	355,617	327,563
Distribution cost		(340,182)	(267,834)	(161,835)	(145,581)
Administrative expenses		(174,440)	(141,554)	(85,432)	(72,501)
Other expenses		(9,986)	(7,070)	(5,427)	(1,950)
		(524,608)	(416,458)	(252,694)	(220,032)
		230,313	103,049	102,923	107,531
Other income		136,260	151,261	83,143	89,695
Profit from operations		366,573	254,310	186,066	197,226
Finance cost		(257,710)	(247,416)	(115,734)	(158,311)
Profit before taxation		108,863	6,894	70,332	38,915
Taxation		(53,715)	15,336	(21,911)	27,641
Profit after taxation		55,148	22,230	48,421	66,556
Earnings per share - basic and diluted (Rupees)		0.69	0.28	0.61	0.83

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


Muhammad Anwar
Chief Executive Officer


Khalid Bashir
Director


Asim Siddique
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

for the Half Year Ended December 31, 2018

(Rupees in '000)	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Profit after taxation	55,148	22,230	48,421	66,556
Other comprehensive loss				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Deficit arising on remeasurement of available for sale investments to fair value	-	(1,163,394)	-	(431,545)
Deficit arising on remeasurement of investments at fair value through other comprehensive income	(317,510)	-	(56,547)	-
Other comprehensive loss for the period	(317,510)	(1,163,394)	(56,547)	(431,545)
Total comprehensive loss for the period	(262,362)	(1,141,164)	(8,126)	(364,989)

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


Muhammad Anwar
Chief Executive Officer


Khalid Bashir
Director


Asim Siddique
Chief Financial Officer

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

for the Half Year Ended December 31, 2018

(Rupees in '000)	Share Capital	Reserves								Total	Total Equity	
		Capital Reserves					Revenue Reserves					
		Premium on issue of right shares	Fair Value	Fair value reserve of FVOCI investments	Surplus on revaluation of operating fixed assets - net of deferred income tax	Sub total	General	Dividend Equalization	Unappropriated profit			Sub total
Balance as at June 30, 2016 - (Audited)	800,000	200,169	2,719,389	-	3,575,108	6,494,666	1,773,643	30,000	756,985	2,560,628	9,055,294	9,855,294
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	-	(20)	(20)	-	-	20	20	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	4	4	-	-	-	-	4	4
Profit for the half year ended December 31, 2017	-	-	-	-	-	-	-	-	22,230	22,230	22,230	22,230
Other comprehensive loss for the half year ended December 31, 2017	-	-	(1,163,394)	-	-	(1,163,394)	-	-	-	-	(1,163,394)	(1,163,394)
Total comprehensive loss for the half year ended December 31, 2017	-	-	(1,163,394)	-	-	(1,163,394)	-	-	22,230	22,230	(1,141,164)	(1,141,164)
Balance as at December 31, 2017 - (Un-audited)	800,000	200,169	1,555,995	-	3,575,092	5,331,256	1,773,643	30,000	779,235	2,582,878	7,914,134	8,714,134
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	-	(21)	(21)	-	-	21	21	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	(9)	(9)	-	-	-	-	(9)	(9)
Transfer from surplus on revaluation of operating fixed assets on disposal of operating fixed assets	-	-	-	-	(7,546)	(7,546)	-	-	7,546	7,546	-	-
Loss for the half year ended June 30, 2018	-	-	-	-	-	-	-	-	(13,775)	(13,775)	(13,775)	(13,775)
Other comprehensive loss for the half year ended June 30, 2018	-	-	(330,021)	-	-	(330,021)	-	-	-	-	(330,021)	(330,021)
Total comprehensive loss for the half year ended June 30, 2018	-	-	(330,021)	-	-	(330,021)	-	-	(13,775)	(13,775)	(343,796)	(343,796)
Balance as at June 30, 2018 - (Audited)	800,000	200,169	1,225,974	-	3,567,516	4,993,659	1,773,643	30,000	773,027	2,576,670	7,570,329	8,370,329
Adjustment on adoption of IFRS 9 (Note 2.3.1)	-	-	(1,225,974)	1,168,969	-	(57,005)	-	-	57,005	57,005	-	-
Adjusted total equity as at July 01, 2018	800,000	200,169	-	1,168,969	3,567,516	4,936,654	1,773,643	30,000	830,032	2,633,675	7,570,329	8,370,329
Transfer from surplus on revaluation of operating fixed assets on account of incremental depreciation - net of deferred income tax	-	-	-	-	(19)	(19)	-	-	19	19	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	(5)	(5)	-	-	-	-	(5)	(5)
Profit for the half year ended December 31, 2018	-	-	-	-	-	-	-	-	55,148	55,148	55,148	55,148
Other comprehensive loss for the half year ended December 31, 2018	-	-	(317,510)	-	-	(317,510)	-	-	-	-	(317,510)	(317,510)
Total comprehensive loss for the half year ended December 31, 2018	-	-	(317,510)	-	-	(317,510)	-	-	55,148	55,148	(262,362)	(262,362)
Balance as at December 31, 2018 - (Un-audited)	800,000	200,169	-	851,459	3,567,492	4,619,120	1,773,643	30,000	885,199	2,688,842	7,307,962	8,107,962

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


Muhammad Anwar
Chief Executive Officer


Khalid Bashir
Director


Asim Siddique
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

for the Half Year Ended December 31, 2018

(Rupees in '000)	Note	(Half Year Ended)	
		December 31, 2018	December 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	7	974,311	413,680
Finance cost paid		(247,995)	(244,956)
Income tax paid		(105,224)	(68,087)
Dividend paid		(22)	(66)
Workers' profit participation fund paid		(30)	(941)
Net decrease in long term loans and advances		1,462	1,477
Net increase in long term deposits and prepayments		(18,614)	-
Net cash generated from operating activities		603,888	101,107
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(527,345)	(121,296)
Proceeds from sale of property, plant and equipment		18,480	9,435
Investment made		-	(70,354)
Dividend received		10,550	32,019
Net cash used in investing activities		(498,315)	(150,196)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		437,418	39,856
Repayment of long term financing		(129,019)	(64,679)
Short term borrowings - net		(405,031)	74,922
Net cash (used in) / from financing activities		(96,632)	50,099
Net increase in cash and cash equivalents		8,941	1,010
Cash and cash equivalents at the beginning of the period		3,413	3,895
Cash and cash equivalents at the end of the period		12,354	4,905

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


Muhammad Anwar
Chief Executive Officer


Khalid Bashir
Director


Asim Siddique
Chief Financial Officer

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

for the Half Year Ended December 31, 2018

1. THE COMPANY AND ITS ACTIVITIES

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

a) Statement of compliance

i) These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan 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 Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

ii) These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2018.

These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2017 and section 237 of the Companies Act, 2017. The figures of condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 have not been reviewed by the statutory auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2018 and December 31, 2017.

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

for the Half Year Ended December 31, 2018

b) Accounting policies and computation methods

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2018 except for the changes in accounting policies as stated in Note 2.3 to these condensed interim financial statements.

2.2 Accounting estimates, judgments and financial risk management

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended June 30, 2018.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2018.

2.3 Changes in accounting policies due to applicability of certain International Financial Reporting Standards (IFRSs)

Following changes in accounting policies have taken place effective from July 01, 2018:

2.3.1 IFRS 9 'Financial Instruments'

The Company has adopted IFRS 9 "Financial Instruments" from 01 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the Company's own credit risk to be presented in other comprehensive income (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the Company. New impairment requirements use an 'Expected

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

for the Half Year Ended December 31, 2018

Credit Loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measure expected credit losses using a lifetime expected loss allowance is available.

The Company has adopted IFRS 9 by generally without restating the prior year results.

Key changes in accounting policies resulting from application of IFRS 9

i) Classification and measurement of financial instruments

IFRS 9 largely retains the existing requirements in IAS 39 "Financial Instruments: Recognition and Measurement" for the classification and measurement of financial liabilities. However, it replaces the previous IAS 39 categories for financial assets i.e. loans and receivables, Fair Value Through Profit or Loss (FVTPL), available for sale and held to maturity with the categories such as amortised cost, Fair Value Through Profit or Loss (FVTPL) and Fair Value Through Other Comprehensive Income (FVTOCI).

Investments and other financial assets

a) Classification

From 01 July 2018, the Company classifies its financial assets in the following measurement categories:

- Those to be measured at FVTPL,
- Those to be measured at FVTOCI, and
- Those to be measured at amortised cost.

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

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

b) Measurement

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

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

for the Half Year Ended December 31, 2018

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments. The Company measures its debt instruments at amortized cost. Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price.

Fair Value Through Other Comprehensive Income (FVTOCI)

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

Fair Value Through Profit or Loss (FVTPL)

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

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

ii) Impairment

From July 01, 2018, the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iii) Impacts of adoption of IFRS 9 on these condensed interim financial statements as on July 01, 2018

On 01 July 2018, the Company's management has assessed which business models apply to the financial assets held by the Company at the date of initial application of IFRS 9 (01 July 2018) and has classified its financial instruments into appropriate IFRS 9 categories. The main effects resulting from this reclassification are as follows:

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

for the Half Year Ended December 31, 2018

Financial assets (July 01, 2018)

(Rupees in '000)	Available for sale (AFS)	FVTOCI	FVTPL	Total financial assets
Opening balance (before reclassification)	3,830,637	-	-	3,830,637
Adjustment on adoption of IFRS 9 reclassification of equity investments				
from available for sale to FVTOCI and FVTPL	(3,830,637)	3,736,188	94,449	-
Opening balance (after reclassification)	-	3,736,188	94,449	3,830,637

The impact of these changes on the Company's reserves and equity is as follows:

Reserves and equity (July 01, 2018)

(Rupees in '000)	Effect on fair value reserve of AFS investments	Effect on fair value reserve of FVTOCI investments	FVTPL	Total financial assets
Opening balance (before reclassification)	1,225,974	-	-	1,225,974
Adjustment on adoption of IFRS 9 reclassification of fair value reserve of AFS investments to fair value reserve of FVTOCI investments	(1,168,969)	1,168,969	-	-
Reclassification of fair value reserve of AFS investment, now treated as FVTPL investment to unappropriated profit	(57,005)	-	57,005	-
Opening balance (after reclassification)	-	1,168,969	57,005	1,225,974

Reclassifications of financial instruments on adoption of IFRS 9

As on 01 July 2018, the classification and measurement of following financial instruments of the Company were changed:

	Measurement category	
	Original (IAS 39)	New (IFRS 9)
Non-current financial assets		
Long term investments	Available for sale	FVTOCI
Long term loans and advances	Loans and receivables	Amortised cost
Long term deposits and prepayments	Loans and receivables	Amortised cost

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

for the Half Year Ended December 31, 2018

	Measurement category	
	Original (IAS 39)	New (IFRS 9)
Current financial assets		
Trade debts	Loans and receivables	Amortised cost
Loans and advances	Loans and receivables	Amortised cost
Short term deposits and prepayments	Loans and receivables	Amortised cost
Accrued interest	Loans and receivables	Amortised cost
Other receivables	Loans and receivables	Amortised cost
Short term investment	Available for sale	FVTPL
Cash and bank balances	Loans and receivables	Amortised cost

There was no change in the figures of the above mentioned categories of financial instruments.

2.3.2 IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 'Revenue from Contracts with Customers' supersedes IAS 11 "Construction Contracts", IAS 18 "Revenue" and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company has assessed that significant performance obligations in contracts with customers are closely related and therefore are discharged over the period of the relationship with relevant customers. Hence, the Company has concluded that it is in compliance with the requirements of the new accounting standard. Moreover there was no impact on the figures of statement of financial position as at 01 July 2018 due to adoption of IFRS 15.

(Rupees in '000)	Un-Audited December 31, 2018	Audited June 30, 2018
3. LONG TERM FINANCING		
Financing from banking companies - secured		
Opening balance	1,103,109	1,253,629
Add: Obtained during the period / year	437,418	39,856
Less: Repaid during the period / year	129,019	190,376
	1,411,508	1,103,109
Less: Current portion shown under current liabilities	258,038	258,038
	1,153,470	845,071

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

for the Half Year Ended December 31, 2018

4. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) Guarantees of Rupees 199.764 million (30 June 2018: Rupees 199.764 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections and Faisalabad Electric Supply Company Limited against electricity connections.
- ii) Guarantee of Rupees 2.000 million (30 June 2018: Rupees 2.000 million) is given by the bank of the Company to Total Parco Pakistan Limited against fuel cards.
- iii) Post dated cheques of Rupees 310.841 million (30 June 2018: Rupees 260.840 million) are issued to custom authorities in respect of duties on imported materials availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.
- iv) Commissioner Inland Revenue has filed appeal vide writ petition no. CA 662/2013 filed on 13 June 2013 with Honorable Supreme Court of Pakistan for the recovery of sales tax liabilities on account of various provisions of Sales Tax Act, 1990. In case of adverse decision, the Company may face tax liability of Rupees 9.606 million (30 June 2018: Rupees 9.606 million). The Company's management is confident that appeals are likely to be dismissed.
- v) The Honorable Sindh High Court in the case of 'Kasim Textile' in its order of 07 May 2013 has held that benefit of carry forward of minimum tax under section 113 of the Income Tax Ordinance, 2001 is only available if tax payable in a tax year is less than minimum tax paid. If in a tax year, no tax is payable by a company due to assessed losses, the company forgoes the right to carry forward minimum tax paid in that year. In the light of this order, the Company is not entitled to carry forward minimum tax of Rupees 72.049 million (30 June 2018: Rupees 77.191 million). However, the management is of the view that the verdict has been challenged in the Honorable Supreme Court of Pakistan and that they are confident of favorable final outcome based on legal advice.
- vi) The Company filed PRA reference No. 11 1963-2017 dated 28 December 2017 in the Honorable Lahore High Court, Lahore against the order of learned Appellate Tribunal of Punjab Revenue Authority (PRA) for the collection of PRA withholding tax amounting to Rupees 23.348 million (30 June 2018: Rupees 23.348 million). Appeal is pending for adjudication. Management of the Company is confident that the ultimate outcome of this case will be in Company's favor.

b) Commitments

- i) Contracts for capital expenditure are of Rupees 427.249 million (30 June 2018: Rupees 789.011 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 65.192 million (30 June 2018: Rupees 120.823 million).
- iii) Ijarah (operating lease) commitments are of Rupees 82.655 million (30 June 2018: Rupees Nil).

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

for the Half Year Ended December 31, 2018

(Rupees in '000)	Un-Audited December 31, 2018	Audited June 30, 2018
5 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets - Owned (Note 5.1)	6,352,670	6,253,403
Capital work-in-progress (Note 5.2)	344,703	74,735
	6,697,373	6,328,138
5.1 Operating fixed assets - Owned		
Opening book value	6,253,403	6,396,065
Add: Cost of additions during the period / year (Note 5.1.1)	257,377	176,036
	6,510,780	6,572,101
Less:		
Book value of deletions during the period / year (Note 5.1.2)	17,278	22,340
Depreciation charged for the period / year	140,832	296,358
	158,110	318,698
Book value at the end of the period / year	6,352,670	6,253,403
5.1.1 Cost of additions during the period / year		
Buildings on leasehold land	-	18,747
Plant and machinery	236,842	126,059
Factory tools and equipment	-	4,476
Gas and electric installations	1,753	1,434
Vehicles	12,898	20,948
Office equipment	5,884	4,372
	257,377	176,036
5.1.2 Book value of deletions during the period / year		
Land - Freehold	-	8,024
Buildings on freehold land	16	-
Plant and machinery	17,060	13,816
Vehicles	202	500
	17,278	22,340

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

for the Half Year Ended December 31, 2018

(Rupees in '000)	Un-Audited December 31, 2018	Audited June 30, 2018
5.2 Capital work-in-progress		
Buildings on freehold land	22,992	19,145
Plant and machinery	249,036	164
Advance against purchase of vehicles	17,779	2,470
Office equipment	155	630
Advance against purchase of land	49,911	49,911
Advance against Enterprise Resource Planning (ERP) implementation	4,830	2,415
	344,703	74,735

(Rupees in '000)	Un-Audited			
	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
6. COST OF SALES				
Raw materials consumed	2,393,054	1,894,263	1,193,229	977,954
Cloth and yarn purchased	1,269,178	518,644	640,025	314,046
Stores, spare parts and loose tools consumed	391,472	270,978	218,393	147,026
Packing materials consumed	370,971	269,824	192,570	147,541
Processing and weaving charges	415,135	214,646	208,497	115,907
Salaries, wages and other benefits	512,478	480,877	246,013	242,873
Fuel and power	745,526	609,219	394,983	319,535
Repair and maintenance	16,855	13,857	10,836	7,520
Insurance	11,097	6,287	6,122	2,979
Depreciation	133,851	139,933	67,842	70,493
Other factory overheads	23,476	19,046	15,675	10,860
	6,283,093	4,437,574	3,194,185	2,356,734
Work-in-process				
Opening stock	159,243	131,695	184,771	136,013
Closing stock	(187,623)	(140,567)	(187,623)	(140,567)
	(28,380)	(8,872)	(2,852)	(4,554)
Cost of goods manufactured	6,254,713	4,428,702	3,191,333	2,352,180
Finished goods				
Opening stock	1,479,432	1,417,844	1,441,587	1,276,333
Closing stock	(1,530,629)	(1,050,546)	(1,530,629)	(1,050,546)
	(51,197)	367,298	(89,042)	225,787
	6,203,516	4,796,000	3,102,291	2,577,967

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

for the Half Year Ended December 31, 2018

(Rupees in '000)	Un-Audited Half year ended	
	December 31, 2018	December 31, 2017
7. CASH GENERATED FROM OPERATIONS		
Profit before taxation	108,863	6,894
Adjustments for non-cash charges and other items:		
Depreciation	140,832	144,941
Amortization	3,167	3,166
Provision for workers' profit participation fund	5,731	-
(Gain) / loss on disposal of operating fixed assets	(1,202)	2,378
Fair value gain on short term investment at FVTPL	(4,815)	-
Dividend income	(59,950)	(81,419)
Finance cost	257,710	247,416
Working capital changes (Note 7.1)	523,975	90,304
	974,311	413,680

7.1 Working capital changes

(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(49,462)	(40,169)
Stock-in-trade	115,066	(51,299)
Trade debts	(68,260)	(79,633)
Loans and advances	(7,448)	350
Short term deposits and prepayments	(3,267)	(17,164)
Accrued interest	(466)	(38)
Other receivables	3,624	56,622
	(10,213)	(131,331)
Increase in trade and other payables	534,188	221,635
	523,975	90,304

8. TRANSACTIONS WITH RELATED PARTIES

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

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

for the Half Year Ended December 31, 2018

(Rupees in '000)	Un-Audited			
	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
i) Transactions				
Associated companies				
Purchase of goods	70,890	6,394	46,853	-
Sale of goods and services	86,376	13,657	29,386	1,623
Insurance premium charged	13,145	9,473	3,851	1,322
Insurance claim received	-	677	-	638
Dividend income	1,909	-	1,909	-
Right shares subscribed (Number of shares)	-	1 082 362	-	-
Bonus shares received (Number of shares)	-	12 870	-	12 870
Other related parties				
Company's contribution to Employees' Provident Fund Trust	12,369	11,413	6,195	5,625
Remuneration paid to Chief Executive Officer, directors and executives	84,726	71,720	42,503	36,254

(Rupees in '000)	Un-Audited	
	December 31, 2018	December 31, 2017
ii) Period end balances		
Associated companies and other related parties		
Trade and other payables	16,415	18,760
Trade debts	9,091	1,547
Other receivables	56	-

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

for the Half Year Ended December 31, 2018

9. SEGMENT INFORMATION

(Rupees in '000)	Spinning		Weaving	
	(Un-audited)		(Un-audited)	
	Half year ended		Half year ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Revenue				
External	2,615,352	2,489,465	101,793	146,478
Intersegment	899,058	492,050	3,270,080	1,853,654
	3,514,410	2,981,515	3,371,873	2,000,132
Cost of sales	(3,371,828)	(2,874,573)	(3,324,553)	(1,976,240)
Gross profit	142,582	106,942	47,320	23,892
Distribution cost	(26,895)	(20,390)	(5,886)	(7,543)
Administrative expenses	(50,243)	(40,929)	(15,675)	(12,769)
	(77,138)	(61,319)	(21,561)	(20,312)
Profit before taxation and unallocated income and expenses	65,444	45,623	25,759	3,580
Unallocated income and expenses:				
Other expenses				
Other income				
Finance cost				
Taxation				
Profit after taxation				

9.1 Reconciliation of reportable segment assets and liabilities:

(Rupees in '000)	Spinning		Weaving	
	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
	December 31, 2018	June 30, 2018	December 31, 2018	June 30, 2018
Total assets for reportable segments	2,994,876	3,012,326	1,571,534	1,521,332
Unallocated assets				
Total assets as per statement of financial position				
All segment assets are allocated to reportable segments other than those directly relating to corporate and tax assets.				
Total liabilities for reportable segments	3,820,716	4,179,892	1,290,061	1,373,551
Unallocated liabilities				
Total liabilities as per statement of financial position				

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

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

for the Half Year Ended December 31, 2018

Processing & Home Textile		Power Generation		Cold Storage		Elimination of Inter - Segment transactions		Total - Company	
(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
Half year ended		Half year ended		Half year ended		Half year ended		Half year ended	
December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
4,237,276	2,673,116	-	-	4,016	6,448	-	-	6,958,437	5,315,507
-	-	585,534	501,012	-	-	(4,754,672)	(2,846,716)	-	-
4,237,276	2,673,116	585,534	501,012	4,016	6,448	(4,754,672)	(2,846,716)	6,958,437	5,315,507
(3,685,455)	(2,295,844)	(573,047)	(491,524)	(3,305)	(4,535)	4,754,672	2,846,716	(6,203,516)	(4,796,000)
551,821	377,272	12,487	9,488	711	1,913	-	-	754,921	519,507
(305,235)	(238,533)	(2,166)	(1,368)	-	-	-	-	(340,182)	(267,834)
(99,260)	(80,248)	(8,827)	(7,191)	(435)	(417)	-	-	(174,440)	(141,554)
(404,495)	(318,781)	(10,993)	(8,559)	(435)	(417)	-	-	(514,622)	(409,388)
147,326	58,491	1,494	929	276	1,496	-	-	240,299	110,119
								(9,986)	(7,070)
								136,260	151,261
								(257,710)	(247,416)
								(53,715)	15,336
								55,148	22,230

Processing & Home Textile		Power Generation		Cold Storage		Total - Company	
(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
December 31, 2018	June 30, 2018	December 31, 2018	June 30, 2018	December 31, 2018	June 30, 2018	December 31, 2018	June 30, 2018
2,754,351	2,623,947	260,205	272,676	18,534	20,141	7,599,500	7,450,422
						10,131,884	10,163,664
						17,731,384	17,614,086
2,350,705	1,998,076	53,599	56,481	229	564	7,515,310	7,608,564
						2,108,112	1,635,193
						9,623,422	9,243,757

and current tax liabilities.

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

for the Half Year Ended December 31, 2018

10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

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

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

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

11. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on February 28, 2019.

12. CORRESPONDING FIGURES

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

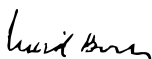
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

13. GENERAL

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



Muhammad Anwar
Chief Executive Officer



Khalid Bashir
Director



Asim Siddique
Chief Financial Officer

Mills & Registered Office

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

Share Registrar

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

www.crescenttextile.com