

CRESCENT COTTON MILLS LIMITED



CONDENSED INTERIM FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2014
(UN-AUDITED)

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Khalid Bashir
(Chairman)

Mr. Muhammad Arshad
(Chief Executive Officer)

DIRECTORS (In alphabetical order)

Mr. Abid Mehmood
Mr. Adnan Amjad
Mr. Humayun Mazhar
Mr. Imtiaz Rashid Siddiqui
Mr. Muhammad Anwar
Mr. Naveed Gulzar

AUDIT COMMITTEE

Mr. Muhammad Anwar (Chairman)
Mr. Khalid Bashir (Member)
Mr. Adnan Amjad (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Abid Mehmood (Chairman)
Mr. Humayun Mazhar (Member)
Mr. Khalid Bashir (Member)

COMPANY SECRETARY

Mr. Sami Ullah Chaudhry

BANKERS

National Bank of Pakistan
Habib Metropolitan Bank Limited

AUDITORS

Riaz Ahmad & Company
Chartered Accountants

COMPANY REGISTRAR

Yaquub Associates (Pvt) Ltd.
2-Asad Arcade, Circular Road
Faisalabad
Ph: 041-2634956, 2610565

URL

www.crescentcotton.com

DIRECTORS' REVIEW TO THE SHAREHOLDERS

Dear Members,

The directors of your company are pleased to present to you the condensed interim financial information for the second quarter and half year ended December 31, 2014. During the period under review, your company incurred a pre-tax loss of Rs. 13.423 Million whereas in the comparative period of last year company earned a pre-tax profit of Rs. 140.485 million.

Total sales revenue of the company for the half year stood at Rs. 1,892.998 Million, whereas, the turnover figures during the same period in year 2013 was Rs. 2,619.206 Million hence depicting a fall of almost twenty seven percent and accordingly raw material consumed also decreased as compared to corresponding period. Similarly cost of sales in the period under review stood at 94.64% whereas, up to December 31, 2013 it was around 89.29%.

The period under review has been one of reduced operating margins with slack demand for both yarn and fabric. The textile industry operated under severe constraints during this period, foremost was the severe energy crunch which resulted in under utilization of production capacity and ultimately higher cost of production.

In spite of the hardships faced during the period under review, the management of the company is continuously striving hard for better results.

Future Prospectus

The management does not expect any improvement in the overall business scenario in the near future. The second half of the financial year 2015 is expected to remain sluggish in terms of profitability. Both domestic and international demand for our products has become weak especially China which is our major buyer and is depicting a sharp down turn. However, efforts will be continued towards improvement where ever possible.

Acknowledgement

We would take this opportunity to thank all our shareholders and bankers for their valued support and our employees for their dedication. We would also like to thank the Board of Directors for their valuable insight and guidance.

FAISALABAD
July 02, 2015.

For and on behalf of
the Board of Directors



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of CRESCENT COTTON MILLS LIMITED as at 31 December 2014 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 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 half year ended 31 December 2014.

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 unconsolidated condensed interim financial information 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 unconsolidated condensed interim financial information as of and for the half year ended 31 December 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



RIAZAHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Mubashar Mehmood

Date: July 02, 2015

FAISALABAD

CRESCENT COTTON

UNCONSOLIDATED CONDENSED INTERIM

(RUPEES INTHOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2014	30 June 2014

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2014: 30 000 000)
ordinary shares of Rupees 10 each

300,000	300,000
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Issued, subscribed and paid up share capital
Reserves
Total equity

213,775	213,775
363,922	403,026
577,697	616,801

Surplus on revaluation of freehold land and
investment properties

2,522,524	2,522,524
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LIABILITIES

NON-CURRENT LIABILITIES

Deferred income tax liability
Employees' retirement benefit

5,022	8,480
54,669	48,157
59,691	56,637

CURRENT LIABILITIES

Trade and other payables
Accrued mark-up
Short term borrowings
Provision for taxation

532,484	380,109
9,557	7,068
549,711	305,109
68,035	47,694
1,159,787	739,980
1,219,478	796,617

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

5

TOTAL EQUITY AND LIABILITIES

4,319,699	3,935,942
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The annexed notes form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

MILLS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2014

(RUPEES INTHOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2014	30 June 2014

ASSETS

NON-CURRENT ASSETS

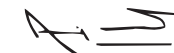
Property, plant and equipment	6	2,833,938	2,843,894
Investment properties		67,796	58,532
Long term investments	7	23,633	22,754
Long term deposits		2,612	2,612
		2,927,979	2,927,792

CURRENT ASSETS

Stores, spare parts and loose tools		39,082	28,278
Stock-in-trade		774,607	413,869
Trade debts		48,213	79,410
Loans and advances		46,397	35,988
Short term deposits, prepayments and balances with statutory authorities		209,717	169,661
Other receivables		41,605	37,355
Short term investments		123,126	122,747
Cash and bank balances		108,060	119,929
		1,390,807	1,007,237
Non-current assets held for sale	8	913	913
		1,391,720	1,008,150

TOTAL ASSETS

4,319,699	3,935,942
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ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
CONTINUING OPERATIONS:				
SALES	1,892,998	2,619,206	753,245	1,296,997
COST OF SALES	(1,791,670)	(2,338,614)	(717,634)	(1,170,996)
GROSS PROFIT	101,328	280,592	35,611	126,001
DISTRIBUTION COST	(44,398)	(67,482)	(17,670)	(31,485)
ADMINISTRATIVE EXPENSES	(65,144)	(66,102)	(31,164)	(33,708)
OTHER EXPENSES	(100)	(9,187)	-	(4,381)
	(109,642)	(142,771)	(48,834)	(69,574)
	(8,314)	137,821	(13,223)	56,427
OTHER INCOME	13,064	20,700	8,838	4,579
PROFIT / (LOSS) FROM OPERATIONS	4,750	158,521	(4,385)	61,006
FINANCE COST	(18,173)	(18,036)	(11,223)	(11,182)
(LOSS) / PROFIT BEFORE TAXATION	(13,423)	140,485	(15,608)	49,824
TAXATION	(16,883)	(26,910)	(4,982)	(11,826)
(LOSS) / PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS	(30,306)	113,575	(20,590)	37,998
DISCONTINUED OPERATIONS:				
PROFIT AFTER TAXATION FROM DISCONTINUED OPERATIONS	-	-	-	-
(LOSS) / PROFIT AFTER TAXATION	(30,306)	113,575	(20,590)	37,998
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES):				
- CONTINUING OPERATIONS	(1.42)	5.31	(0.96)	1.78
- DISCONTINUED OPERATIONS	-	-	-	-

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

(RUPEES IN THOUSAND)

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
(LOSS) / PROFIT AFTER TAXATION	(30,306)	113,575	(20,590)	37,998
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently to profit or loss:				
Experience adjustment on defined benefit plan	-	(10,282)	-	(5,141)
Deferred income tax related to experience adjustment	-	1,018	-	509
	-	(9,264)	-	(4,632)
Items that may be reclassified subsequently to profit or loss:				
(Deficit) / surplus arising on remeasurement of available for sale investments to fair value	(8,798)	7,409	(23,046)	(1,931)
Other comprehensive loss for the period	(8,798)	(1,855)	(23,046)	(6,563)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(39,104)	111,720	(43,636)	31,435

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended		
	31 December 2014	31 December 2013	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilized in operations	10	(194,764)	(105,595)
Finance cost paid		(15,382)	(17,513)
Staff retirement gratuity paid		(6,236)	(5,879)
Income tax paid		(20,234)	(26,048)
Workers' profit participation fund paid		-	(27,103)
Net cash utilized in operating activities		<u>(236,616)</u>	<u>(182,138)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment and investment properties		(14,420)	(3,902)
Proceeds from sale of property, plant and equipment		147	-
Investments made		(10,056)	-
Profit on bank deposits received		4,474	4,395
Net cash (used in) / from investing activities		(19,855)	493
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		-	(7,493)
Short term borrowings - net		244,602	167,572
Dividend paid		-	(14)
Net cash from financing activities		244,602	160,065
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(11,869)</u>	<u>(21,580)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		119,929	136,163
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>108,060</u>	<u>114,583</u>

The annexed noted form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

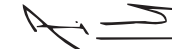
(RUPEES IN THOUSAND)

	CAPITAL RESERVES				REVENUE RESERVES				TOTAL	TOTAL EQUITY	
	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	Fair value	Sub Total	General	Dividend equalization	unappropriated profit			Sub Total
Balance as at 30 June 2013 - (Audited)	213,775	5,496	12,000	93,118	110,614	96,988	4,000	146,539	247,527	358,141	571,916
Transaction with owners - Final dividend for the period ended 30 June 2013 at the rate of Rs. 2.00 per share	-	-	-	-	-	-	-	(42,754)	(42,754)	(42,754)	(42,754)
Profit for the half year ended 31 December 2013	-	-	-	-	-	-	-	113,575	113,575	113,575	113,575
Other comprehensive income / (loss) for the half year ended 31 December 2013	-	-	-	7,409	7,409	-	-	(9,264)	(9,264)	(1,855)	(1,855)
Total comprehensive income for the half year ended 31 December 2013	-	-	-	7,409	7,409	-	-	104,311	104,311	111,720	111,720
Balance as at 31 December 2013 - (Un-audited)	213,775	5,496	12,000	100,527	118,023	96,988	4,000	208,096	309,084	427,107	640,882
Loss for the half year ended 30 June 2014	-	-	-	-	-	-	-	(16,675)	(16,675)	(16,675)	(16,675)
Other comprehensive loss for the half year ended 30 June 2014	-	-	-	(7,406)	(7,406)	-	-	-	-	(7,406)	(7,406)
Total comprehensive loss for the half year ended 30 June 2014	-	-	-	(7,406)	(7,406)	-	-	(16,675)	(16,675)	(24,081)	(24,081)
Balance as at 30 June 2014 - (Audited)	213,775	5,496	12,000	93,121	110,617	96,988	4,000	191,421	292,409	403,026	616,801
Loss for the half year ended 31 December 2014	-	-	-	-	-	-	-	(30,306)	(30,306)	(30,306)	(30,306)
Other comprehensive loss for the half year ended 31 December 2014	-	-	-	(8,798)	(8,798)	-	-	-	-	(8,798)	(8,798)
Total comprehensive loss for the half year ended 31 December 2014	-	-	-	(8,798)	(8,798)	-	-	(30,306)	(30,306)	(39,104)	(39,104)
Balance as at 31 December 2014 - (Un-audited)	213,775	5,496	12,000	84,323	101,819	96,988	4,000	161,115	262,103	363,922	577,697

The annexed noted form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Cotton Mills Limited 'the Company' is a public limited company incorporated in March 1959 in Pakistan under Companies Act, 1913 (Now Companies Ordinance, 1984) and listed on all the stock exchanges in Pakistan. Its registered office is situated at New Lahore Road, Nishatabad, Faisalabad. The Company is engaged in the business of manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit.

2. BASIS OF PREPARATION

This unconsolidated condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This unconsolidated condensed interim financial information of the Company for the half year ended 31 December 2014 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail. This unconsolidated condensed interim financial information should be read in conjunction with the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computation adopted for the preparation of this unconsolidated condensed interim financial information are same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this unconsolidated condensed interim financial information 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 this unconsolidated condensed interim financial information, 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 30 June 2014.

5. CONTINGENCIES AND COMMITMENTS

a) Contingencies:

i) Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 10.787 million (30 June 2014: Rupees 10.787 million). The Company, being aggrieved, has filed appeals with the Honorable Lahore High Court, Lahore which are still pending. No provision has been made in this unconsolidated condensed financial information against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

ii) The Company filed a suit against Crescent Fibres Limited for the recovery of Rupees 23.000 million (30 June 2014: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. No provision against this receivable has been made in this unconsolidated condensed interim financial information as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

lii) Guarantees of Rupees 35.993 million (30 June 2014: Rupees 35.993 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited against gas connections.

b) Commitments:

i) There was no contract for capital expenditure as at 31 December 2014 (30 June 2014: Rupees Nil).

ii) Letter of credit for other than capital expenditure as at 31 December 2014 is of Rupees 6.338 million (30 June 2014: Rupees: 18.924 million).

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2014	30 June 2014

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	2,751,088	2,757,104
Capital work-in-progress	82,850	86,790
	<u>2,833,938</u>	<u>2,843,894</u>

6.1 Operating fixed assets

Opening book value	2,757,104	2,758,469
Add: Cost of additions during the period / year (Note 6.1.1)	9,096	29,414
	<u>2,766,200</u>	<u>2,787,883</u>
Less: Book value of deletions during the period / year (Note 6.1.2)	104	342
	<u>2,766,096</u>	<u>2,787,541</u>
Less: Depreciation charged during the period / year	15,008	30,437
	<u>2,751,088</u>	<u>2,757,104</u>

6.1.1 Cost of additions during the period / year

Buildings and roads on freehold land	-	2,380
Plant and machinery	4,486	18,738
Electric installations	2,788	147
Tools and equipment	-	109
Furniture and fixtures	73	883
Vehicles	1,690	6,682
Office equipment	59	475
	<u>9,096</u>	<u>29,414</u>

6.1.2 Book value of deletions during the period / year

Plant and machinery	44	-
Vehicles	60	342
	<u>104</u>	<u>342</u>

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2014	30 June 2014

7. LONG TERM INVESTMENTS - Available for sale

Unquoted - Subsidiary company	10,511	12,734
Quoted - Associated companies	175	175
Quoted - Others	1,043	1,043
Unquoted - Others	3,164	3,164
	14,893	17,116
Less: Impairment loss charged to profit and loss account	-	(2,223)
Add: Fair value adjustment	8,740	7,861
	<u>23,633</u>	<u>22,754</u>

8. NON-CURRENT ASSETS HELD FOR SALE

Property, plant and equipment related to Sugar Unit has been presented as held for sale following the approval of the Board of Directors and shareholders of the Company in Annual General Meeting held on 31 January 2011 regarding the disposal of plant and machinery and related equipment of Sugar Unit of the Company. Major portion of the plant and machinery and related equipment has been disposed of by the Company in previous years. The remaining assets are expected to be disposed of during the current financial year.

(RUPEES IN THOUSAND)

Half year ended		Quarter ended	
31 December 2014	31 December 2013	31 December 2014	31 December 2013

9. COST OF SALES

Raw materials consumed	1,198,995	1,444,964	600,511	724,501
Salaries, wages and other benefits	143,630	155,231	73,668	86,154
Stores, spare parts and loose tools consumed	56,847	57,617	31,369	25,080
Fuel and power	262,329	246,030	136,275	129,714
Outside weaving / other charges	198,919	274,039	25,846	138,673
Other manufacturing overheads	5,064	6,077	2,449	3,196
Insurance	3,121	3,152	1,461	1,745
Repair and maintenance	1,100	2,960	678	1,168
Depreciation	13,167	13,379	6,673	6,717

1,883,172	2,203,449	878,930	1,116,948
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Work-in-process

Opening stock	19,335	19,248	17,475	20,841
Closing stock	(16,827)	(20,425)	(16,827)	(20,425)
	2,508	(1,177)	648	416
Cost of goods manufactured	1,885,680	2,202,272	879,578	1,117,364

Finished goods

Opening stock	256,116	163,131	216,754	181,420
Closing stock	(378,802)	(193,197)	(378,802)	(193,197)
	(122,686)	(30,066)	(162,048)	(11,777)
	1,762,994	2,172,206	717,530	1,105,587

Cost of goods purchased for resale

1,791,670	2,338,614	717,634	1,170,996
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(RUPEES IN THOUSAND)

UN-AUDITED	
31 December 2014	31 December 2013

10. CASH UTILIZED IN OPERATIONS

(Loss) / profit before taxation	(13,423)	140,485
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Adjustments for non-cash charges and other items:

Depreciation	15,008	14,998
Provision for staff retirement gratuity	12,748	10,001
Gain on sale of property, plant and equipment	(43)	-
Loans and advances written off	-	20
Profit on deposits with banks	(5,179)	(4,686)
Finance cost	17,871	18,036
Provision for obsolescence of stores, spare parts and loose tools	-	1,500
Provision for workers' profit participation fund	302	7,448
Working capital changes (Note 10.1)	(222,048)	(293,397)

(194,764)	(105,595)
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10.1 Working capital changes**(Increase) / decrease in current assets**

Stores, spare parts and loose tools	(10,804)	(4,206)
Stock-in-trade	(360,738)	(377,227)
Trade debts	31,197	(23,234)
Loans and advances	(10,409)	(1,321)
Short term deposits prepayments and balances with statutory authorities	(19,822)	(3,230)
Other receivables	(3,545)	(7,114)
	(374,121)	(416,332)

Increase in trade and other payables

152,073	122,935
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(222,048)	(293,397)
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II. SEGMENT INFORMATION

(UN-AUDITED)

II.1

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	Half year ended		Half year ended		Half year ended		Half year ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013	31 December 2014	31 December 2013	31 December 2014	31 December 2013
(RUPEES IN THOUSAND).....							
Sales	1,501,483	2,091,864	1,027,512	1,591,411	(635,997)	(1,064,069)	1,892,998	2,619,206
Cost of sales	(1,418,929)	(1,909,594)	(1,008,738)	(1,493,089)	635,997	1,064,069	(1,791,670)	(2,338,614)
Gross profit	82,554	182,270	18,774	98,322	-	-	101,328	280,592
Distribution cost	(20,191)	(24,081)	(24,207)	(43,401)	-	-	(44,398)	(67,482)
Administrative expenses	(62,362)	(63,197)	(2,782)	(2,905)	-	-	(65,144)	(66,102)
Other expenses	(100)	(9,187)	-	-	-	-	(100)	(9,187)
	(82,653)	(96,465)	(26,989)	(46,306)	-	-	(109,642)	(142,771)
	(99)	85,805	(8,215)	52,016	-	-	(8,314)	137,821
Other income	13,064	20,700	-	-	-	-	13,064	20,700
Profit / (loss) from operations	12,965	106,505	(8,215)	52,016	-	-	4,750	158,521
Finance cost	(13,439)	(14,606)	(4,734)	(3,430)	-	-	(18,173)	(18,036)
(Loss) / profit before taxation	(474)	91,899	(12,949)	48,586	-	-	(13,423)	140,485
Taxation							(16,883)	(26,910)
(Loss) / profit after taxation from continued operations							(30,306)	113,575
Profit after taxation from discontinued operations							-	-
(Loss) / profit after taxation							(30,306)	113,575

11.2 Reconciliation of reportable segment assets and liabilities:

	Textiles		Trading		TOTAL	
	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)
	31 December 2014	30 JUNE 2014	31 December 2014	30 JUNE 2014	31 December 2014	30 JUNE 2014
 (RUPEES IN THOUSAND)					
Total assets for reportable segments	<u>4,317,152</u>	<u>3,882,677</u>	<u>1,634</u>	<u>52,352</u>	<u>4,318,786</u>	<u>3,935,029</u>
Non-current assets held for sale					913	913
Total assets as per balance sheet					<u>4,319,699</u>	<u>3,935,942</u>
Total liabilities for reportable segments	<u>1,059,567</u>	<u>653,742</u>	<u>86,854</u>	<u>86,701</u>	1,146,421	740,443
Unallocated liabilities:						
Deferred income tax liability					5,022	8,480
Provision for taxation					68,035	47,694
Total liabilities as per balance sheet					<u>1,219,478</u>	<u>796,617</u>

12. TRANSACTIONS WITH RELATED PARTIES

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

UN-AUDITED			
Half year ended		Quarter ended	
31 December 2014	31 December 2013	31 December 2014	31 December 2013
(RUPEES IN THOUSAND)			

i) Transactions

Subsidiary company

Rental expense	2,100	510	1,050	255
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Associated companies

Service charges	7,383	3,345	1,960	1,673
Loan repaid / adjusted	541	6,315	479	2,832
Mark-up expense	30	232	12	73
Investments made	10,056	-	10,056	-
Dividend income	3,352	-	3,352	-

Other related parties

Loans received from directors and executives	13,407	-	6,704	5,555
Loans repaid to directors, executives and sponsor	20,976	7,700	8,687	3,902
Remuneration paid to Chief Executive Officer, Directors and executives	20,929	20,050	10,465	10,025

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2014	30 June 2014

ii) Period end balances

Trade and other payables	11,653	12,153
Short term borrowings	176,225	184,305

13. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

14. DATE OF AUTHORIZATION

This unconsolidated condensed interim financial information was approved by the Board of Directors and authorized for issue on July 02, 2015.

15. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 "Interim Financial Reporting", the unconsolidated condensed interim balance sheet and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial period.

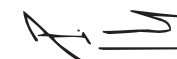
Corresponding figures have been re-arranged, wherever necessary for the purpose of comparison. However, no significant re-arrangements have been made.

16. GENERAL

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



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS

CONSOLIDATED CONDENSED INTERIM

(RUPEES INTHOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2014	30 June 2014

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2014: 30 000 000)
ordinary shares of Rupees 10 each

300,000	300,000
---------	---------

Issued, subscribed and paid up share capital

Reserves

Total equity

213,775	213,775
440,011	473,738
653,786	687,513

Surplus on revaluation of freehold land and investment properties

2,538,699	2,538,699
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LIABILITIES

NON-CURRENT LIABILITIES

Deferred income tax liability
Employees' retirement benefit

12,354	15,812
54,669	48,157
67,023	63,969

CURRENT LIABILITIES

Trade and other payables
Accrued mark-up
Short term borrowings
Provision for taxation

536,402	383,440
21,059	18,270
554,711	310,109
68,583	47,927
1,180,755	759,746
1,247,778	823,715

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

5

TOTAL EQUITY AND LIABILITIES

4,440,263	4,049,927
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The annexed notes form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

LIMITED AND ITS SUBSIDIARY

BALANCE SHEET AS AT 31 DECEMBER 2014

(RUPEES INTHOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2014	30 June 2014

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	6	2,857,723	2,868,813
Investment properties		67,796	58,532
Long term investments	7	211,686	204,530
Long term deposits		3,134	3,134

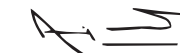
3,140,339	3,135,009
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CURRENT ASSETS

Stores, spare parts and loose tools	43,346	32,550	
Stock-in-trade	774,607	413,869	
Trade debts	48,213	79,410	
Loans and advances	46,397	35,988	
Short term deposits, prepayments and balances with statutory authorities	209,975	169,753	
Other receivables	44,066	39,816	
Short term investments	20,363	19,306	
Cash and bank balances	112,044	123,313	
	1,299,011	914,005	
Non-current assets held for sale	8	913	913
	1,299,924	914,918	

TOTAL ASSETS

4,440,263	4,049,927
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ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
SALES	1,892,998	2,619,206	753,245	1,296,997
COST OF SALES	(1,791,670)	(2,338,614)	(717,634)	(1,170,996)
GROSS PROFIT	101,328	280,592	35,611	126,001
DISTRIBUTION COST	(44,398)	(67,482)	(17,670)	(31,485)
ADMINISTRATIVE EXPENSES	(66,109)	(66,859)	(32,531)	(34,590)
OTHER EXPENSES	(100)	(9,187)	-	(4,381)
	(110,607)	(143,528)	(50,201)	(70,456)
	(9,279)	137,064	(14,590)	55,545
OTHER INCOME	9,712	20,700	5,486	4,579
PROFIT / (LOSS) FROM OPERATIONS	433	157,764	(9,104)	60,124
FINANCE COST	(18,473)	(18,336)	(11,373)	(11,182)
	(18,040)	139,428	(20,477)	48,942
SHARE OF (LOSS) / PROFIT OF ASSOCIATED COMPANY	(376)	13,421	28,171	24,074
(LOSS) / PROFIT BEFORE TAXATION	(18,416)	152,849	7,694	73,016
TAXATION	(17,198)	(26,987)	(5,297)	(11,826)
(LOSS) / PROFIT AFTER TAXATION	(35,614)	125,862	2,397	61,190
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES):	(1.67)	5.89	0.11	2.86

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


MUHAMMAD ARSHAD
 CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
 DIRECTOR

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

(RUPEES IN THOUSAND)

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
(LOSS) / PROFIT AFTER TAXATION	(35,614)	125,862	2,397	61,190
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified subsequently to profit or loss				
Recognition of actuarial loss on staff retirement gratuity	-	(10,282) 1,018	-	(5,140) 509
	-	(9,264)	-	(4,631)
Items that may be reclassified subsequently to profit or loss:				
Surplus / (deficit) arising on remeasurement of available for sale investments to fair value	1,887	2,469	(14,506)	(6,871)
Other comprehensive income / (loss) for the period	1,887	(6,795)	(14,506)	(11,502)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(33,727)	119,067	(12,109)	49,688

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


MUHAMMAD ARSHAD
 CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
 DIRECTOR

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended		
	31 December 2014	31 December 2013	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilized in operations	10	(203,285)	(105,595)
Finance cost paid		(15,684)	(17,513)
Staff retirement gratuity paid		-	(5,879)
Income tax paid		(20,399)	(26,048)
Workers' profit participation fund paid		-	(27,103)
Net cash utilized in operating activities		<u>(239,368)</u>	<u>(182,138)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment and investment properties		(14,420)	(3,902)
Proceeds from operating fixed assets		147	-
Investments made		(10,056)	-
Dividend received from associated companies		3,352	-
Profit on bank deposits received		4,474	4,395
Net cash (used in) / from investing activities		(16,503)	493
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		-	(7,493)
Short term borrowings - net		244,602	167,572
Dividend paid		-	(14)
Net cash from financing activities		<u>244,602</u>	<u>160,065</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(11,269)	(21,580)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		123,313	139,238
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u><u>112,044</u></u>	<u><u>117,658</u></u>

The annexed noted form an integral part of this condensed interim financial information.



 MUHAMMAD ARSHAD
 CHIEF EXECUTIVE OFFICER



 ABID MEHMOOD
 DIRECTOR

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

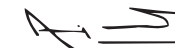
(RUPEES IN THOUSAND)

	CAPITAL RESERVES				REVENUE RESERVES				TOTAL	TOTAL EQUITY	
	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	Fair value	Sub Total	General	Dividend equalization	unappropriated profit			Sub Total
Balance as at 30 June 2013 - (Audited)	213,775	5,496	12,000	7,496	24,992	44,975	4,000	355,322	404,297	429,289	643,064
Transaction with owners - Final dividend for the period ended 30 June 2013 at the rate of Rs. 2.00 per share	-	-	-	-	-	-	-	(42,754)	(42,754)	(42,754)	(42,754)
Profit for the half year ended 31 December 2013	-	-	-	-	-	-	-	125,862	125,862	125,862	125,862
Other comprehensive income / (loss) for the half year ended 31 December 2013	-	-	-	2,469	2,469	-	-	(9,264)	(9,264)	(6,795)	(6,795)
Total comprehensive income for the half year ended 31 December 2013	-	-	-	2,469	2,469	-	-	116,598	116,598	119,067	119,067
Balance as at 31 December 2013 - (Un-audited)	213,775	5,496	12,000	9,965	27,461	44,975	4,000	429,166	478,141	505,602	719,377
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred income tax	-	-	-	-	-	-	-	1,495	1,495	1,495	1,495
Loss for the half year ended 30 June 2014	-	-	-	-	-	-	-	(36,513)	(36,513)	(36,513)	(36,513)
Other comprehensive income for the half year ended 30 June 2014	-	-	-	3,154	3,154	-	-	-	-	3,154	3,154
Total comprehensive (loss) / income for the half year ended 30 June 2014	-	-	-	3,154	3,154	-	-	(36,513)	(36,513)	(33,359)	(33,359)
Balance as at 30 June 2014 - (Audited)	213,775	5,496	12,000	13,119	30,615	44,975	4,000	394,148	443,123	473,738	687,513
Loss for the half year ended 31 December 2014	-	-	-	-	-	-	-	(35,614)	(35,614)	(35,614)	(35,614)
Other comprehensive income for the half year ended 31 December 2014	-	-	-	1,887	1,887	-	-	-	-	1,887	1,887
Total comprehensive (loss) / income for the half year ended 31 December 2014	-	-	-	1,887	1,887	-	-	(35,614)	(35,614)	(33,727)	(33,727)
Balance as at 31 December 2014 - (Un-audited)	213,775	5,496	12,000	15,006	32,502	44,975	4,000	358,534	407,509	440,011	653,786

The annexed noted form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 31 DECEMBER 2014 (UN-AUDITED)

I. THE GROUP AND ITS OPERATIONS

The Group consist of:

Holding Company

Crescent Cotton Mills Limited

Subsidiary Company

Crescot Mills Limited

Crescent Cotton Mills Limited

Crescent Cotton Mills Limited 'the Company' is a public limited company incorporated in March 1959 in Pakistan under the provisions of Companies Act, 1913 (Now Companies Ordinance, 1984) and listed on all the stock exchanges in Pakistan. Its registered office is situated at New Lahore Road, Nishatabad, Faisalabad. The Company is engaged in manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit.

Crescot Mills Limited

Crescot Mills Limited (CML) is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984). CCML holds 66.15% equity of the CML. Principal business of CML was manufacturing and sale of yarn. The mills is located at Sindh Industrial and Trading Estate, Kotri in the Province of Sindh. A special resolution was passed in the general meeting of the members on 28 September 1998 authorizing the Board of Directors to dispose of the plant and machinery of CML.

CML has ceased all production activities since August 1998 and has disposed of major part of the plant and machinery. The Company has leased out its buildings and other facilities to the Holding Company.

2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984, and the listing regulations of the Islamabad, Karachi and Lahore stock exchanges. This consolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and International Accounting Standard (IAS) 27 consolidated and Separate Financial Statements" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This consolidated condensed interim financial information should be read in conjunction with the proceeding audited annual published consolidated financial statements of the Group for the year ended 30 June 2014.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computation adopted for the preparation of this consolidated condensed interim financial information are same as applied in the preparation of the preceding consolidated audited annual financial statements of the Group for the year ended 30 June 2014.

3.1 Basis of Consolidation

a) Subsidiary

Subsidiary Company is that entity in which Holding Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The condensed interim financial information of the Subsidiary Company is included in the consolidated consolidated condensed interim financial information from the date control commences until the date that control ceases.

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

Intragroup balances and transactions have been eliminated

Proportionate share of accumulated losses relating to the non-controlling interest is more than their respective share capital. Therefore, losses in excess of share capital of non-controlling interest are absorbed by the Group.

b) Associates

Associates are the entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights or by way of common directorship. Investments in these associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associate includes goodwill identified on acquisition, net of accumulated impairment loss, if any.

The Group's share of its associate's post-acquisition profits or losses, movement in other comprehensive income, and its share of post-acquisition movements in reserves is recognized in the consolidated profit and loss account, consolidated statement of comprehensive income and reserves respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Distributions received from an associate reduce the carrying amount of the investment.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this consolidated condensed interim financial information 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 Group'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 this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group'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 30 June 2014.

5. CONTINGENCIES AND COMMITMENTS

a) Contingencies:

l) Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 10.787 million (30 June 2014: Rupees 10.787 million). The

company, being aggrieved, has filed appeals with the Honourable Lahore High Court, Lahore which are still pending. No provision has been made in this unconsolidated condensed financial information against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

ii) The Company filed a suit against Crescent Fibres Limited for the recovery of Rupees 23.000 million (30 June 2014: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. No provision against this receivable has been made in this unconsolidated condensed interim financial information as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

iii) Guarantees of Rupees 35.993 million (30 June 2014: Rupees 35.993 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited against gas connections.

Subsidiary Company

Contingencies:

The Company is contingently liable for a claim of Rupees 0.215 million (30 June 2014: Rupees 0.215 million) not acknowledged by the Company in respect of card clothing machine demanded by Customs Authorities in 1987 against which a letter of guarantee has been issued by bank in favour of Collector.

b) Commitments:

i) There is no contract for capital expenditure as at 31 December 2014 (30 June 2014 : Nil).

ii) Letters of credit for other than capital expenditure as at 31 December 2014 are 6.338 million (30 June 2014: Rupees: 18.924 million).

6. PROPERTY, PLANT AND EQUIPMENT

(RUPEES INTHOUSAND)		
	UN-AUDITED	AUDITED
	31 December	30 June
	2014	2014
Operating fixed assets (Note 6.1)	2,774,873	2,782,023
Capital work-in-progress	82,850	86,790
	<u>2,857,723</u>	<u>2,868,813</u>
6.1 Operating fixed assets		
Opening book value	2,782,023	2,785,896
Add: Cost of additions during the period / year (Note 6.1.1)	9,096	29,414
	<u>2,791,119</u>	<u>2,815,310</u>
Less: Book value of deletions during the period / year (Note 6.1.2)	104	342
	<u>2,791,015</u>	<u>2,814,968</u>
Depreciation charged during the period / year	16,142	32,945
Book value at the end of the period / year	<u>2,774,873</u>	<u>2,782,023</u>

(RUPEES INTHOUSAND)

UN-AUDITED	AUDITED
31 December	30 June
2013	2013

6.1.1 Cost of additions during the period / year

Building on free hold land	-	2,380
Plant and machinery	4,486	18,738
Electric installations	2,788	147
Tools and equipment	-	109
Furniture and fixtures	73	883
Vehicles	1,690	6,682
Office equipment	59	475
	<u>9,096</u>	<u>29,414</u>

6.1.2

Book value of deletions during the period / year

Plant and machinery	44	-
Vehicles	60	342
	<u>104</u>	<u>342</u>

7. LONG TERM INVESTMENTS

In associates:

Cost	52,533	42,480
Share of post acquisition profit:		
At the beginning of the period / Year	154,343	163,097
Share of profit during the period / year	(3,727)	(8,754)
	<u>150,616</u>	<u>154,343</u>
Available for sale:	203,149	196,823
Quoted - Others	2,988	2,988
Unquoted - Others	3,164	3,164
	<u>6,152</u>	<u>6,152</u>
Add: Fair value adjustment	2,385	1,555
	<u>8,537</u>	<u>7,707</u>
	<u>211,686</u>	<u>204,530</u>

7.1 The investments in associates were not acquired for disposal purposes, therefore equity method of accounting has been applied and as per the requirement of IAS 28 the same have been shown under long term investments. In addition paragraph 2(B)(d) of Part II of the Fourth Schedule to the Companies Ordinance, 1984 requires that the investments accounted for under equity method should be classified as long term investments.

8. NON-CURRENT ASSETS HELD FOR SALE

Property, plant and equipment related to Sugar Unit has been presented as held for sale following the approval of the Board of Directors and shareholders of the Company in Annual General Meeting held on 31 January 2011 regarding the disposal of plant and machinery and related equipment of Sugar Unit of the Company. Significant portion of the plant and machinery and related equipment has been disposed of by the Company in previous years. The remaining assets are expected to be disposed of during the current financial year.

Un-Audited			
Half year ended		Quarter ended	
31 December 2014	31 December 2013	31 December 2014	31 December 2013
(RUPEES IN THOUSAND)			

9. COST OF SALES

Raw material consumed	1,198,995	1,444,964	600,511	724,501
Salaries, wages and other benefits	143,630	155,231	73,668	86,154
Stores, spare parts and loose tools consumed	56,847	57,617	31,369	25,080
Fuel and power	262,329	246,030	136,275	129,714
Outside weaving charges	198,919	274,039	25,846	138,673
Other manufacturing overheads	5,064	6,077	2,449	3,196
Insurance	3,121	3,152	1,461	1,745
Repair and maintenance	1,100	2,960	678	1,168
Depreciation	13,167	13,379	6,673	6,717
	<u>1,883,172</u>	<u>2,203,449</u>	<u>878,930</u>	<u>1,116,948</u>
Work-in-process:				
Opening stock	19,335	19,248	17,475	20,841
Closing stock	(16,827)	(20,425)	(16,827)	(20,425)
	<u>2,508</u>	<u>(1,177)</u>	<u>648</u>	<u>416</u>
Cost of goods manufactured	<u>1,885,680</u>	<u>2,202,272</u>	<u>879,578</u>	<u>1,117,364</u>
Finished goods:				
Opening stock	256,116	163,131	216,754	181,420
Closing stock	(378,802)	(193,197)	(378,802)	(193,197)
	<u>(122,686)</u>	<u>(30,066)</u>	<u>(162,048)</u>	<u>(11,777)</u>
	<u>1,762,994</u>	<u>2,172,206</u>	<u>717,530</u>	<u>1,105,587</u>
Cost of goods purchased for resale	28,676	166,408	104	65,409
	<u>1,791,670</u>	<u>2,338,614</u>	<u>717,634</u>	<u>1,170,996</u>

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2014	30 June 2014

10. CASH UTILIZED IN OPERATIONS

(Loss)/Profit before taxation	(18,416)	152,849
Adjustments for non-cash charges and other items:		
Depreciation	16,142	16,252
Provision for staff retirement gratuity	6,512	10,001
Gain on sale of operating fixed assets	(43)	-
Share of profit from associate company	376	(13,421)
Loans and advances written off	-	20
Profit on deposits with banks	(5,179)	(4,686)
Finance cost	18,473	18,336
Provision for obsolescence of stores, spare parts and loose tools	-	1,500
Provision for workers' profit participation fund	302	7,448
Working capital changes (Note 10.1)	(221,452)	(293,894)
	<u>(203,285)</u>	<u>(105,595)</u>

10.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(10,796)	(4,206)
Stock-in-trade	(360,738)	(377,227)
Trade debts	31,197	(23,234)
Loans and advances	(10,409)	(1,321)
Short term deposits prepayments and balances with statutory authorities	(19,821)	(3,263)
Other receivables	(3,545)	(7,114)
	<u>(374,112)</u>	<u>(416,365)</u>
Increase in trade and other payables	152,660	122,471
	<u>(221,452)</u>	<u>(293,894)</u>

II. SEGMENT INFORMATION

II.1

(UN-AUDITED)

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	Half year ended		Half year ended		Half year ended		Half year ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013	31 December 2014	31 December 2013	31 December 2014	31 December 2013
(RUPEES IN THOUSAND).....							
Sales	1,501,483	2,091,864	1,027,512	1,591,411	(635,997)	(1,064,069)	1,892,998	2,619,206
Cost of sales	(1,418,929)	(1,909,594)	(1,008,738)	(1,493,089)	635,997	1,064,069	(1,791,670)	(2,338,614)
Gross profit	82,554	166,247	18,774	98,322	-	-	101,328	280,592
Distribution cost	(20,191)	(24,081)	(24,207)	(43,401)	-	-	(44,398)	(67,482)
Administrative expenses	(63,327)	(63,954)	(2,782)	(2,905)	-	-	(66,109)	(66,859)
Other expenses	(100)	(9,187)	-	-	-	-	(100)	(9,187)
	(83,618)	(80,622)	(26,989)	(46,306)	-	-	(110,607)	(143,528)
Other income	(1,064)	85,626	(8,215)	52,016	-	-	(9,279)	137,064
	9,712	20,700	-	-	-	-	9,712	20,700
Profit from operations	8,648	103,252	(8,215)	52,016	-	-	433	157,764
Finance cost	(13,739)	(14,906)	(4,734)	(3,430)	-	-	(18,473)	(18,336)
(Loss) / profit before taxation and unallocated income and expenses	(5,091)	79,205	(12,949)	48,586	-	-	(18,040)	139,428
Share of (loss) / profit from associated companies							(376)	13,421
Taxation							(17,198)	(26,987)
(Loss) / profit after taxation							<u>(35,614)</u>	<u>125,862</u>

11.2 Reconciliation of reportable segment assets and liabilities:

	Textiles		Trading		TOTAL	
	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)
	31 December 2014	30 JUNE 2014	31 December 2014	30 JUNE 2014	31 December 2014	30 JUNE 2014
 (RUPEES IN THOUSAND)					
Total assets for reportable segments	<u>4,437,716</u>	<u>3,996,662</u>	<u>1,634</u>	<u>52,352</u>	4,439,350	4,049,014
Non-current assets held for sale					913	913
Total assets as per balance sheet					<u>4,440,263</u>	<u>4,049,927</u>
Total liabilities for reportable segments	<u>1,079,987</u>	<u>673,275</u>	<u>86,854</u>	<u>86,701</u>	1,166,841	759,976
Unallocated liabilities:						
Deferred income tax liability					12,354	15,812
Provision for taxation					68,583	47,927
Total liabilities as per balance sheet					<u>1,247,778</u>	<u>823,715</u>

12. TRANSACTIONS WITH RELATED PARTIES

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

(RUPEES IN THOUSAND)

Half year ended		Quarter ended	
31 December 2014	31 December 2013	31 December 2014	31 December 2013

i) Transactions

Associated companies

Service charges	7,383	3,345	1,960	1,673
Loan repaid / adjusted	541	6,315	479	2,832
Mark-up expense	30	232	12	73

Other related parties

Loans received from directors and executives	13,407	11,178	6,704	5,555
Loans repaid to directors, executives and sponsor	20,975	7,700	8,686	3,902
Remuneration paid to Chief Executive Officer, Directors and Executives	20,929	20,050	10,465	10,025

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2014	30 June 2014

ii) Period end balances

Trade and other payables	6,754	6,308
Short term borrowings	176,225	184,305

13. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published consolidated financial statements of the Company for the period ended 30 June 2014.

14. DATE OF AUTHORIZATION

This consolidated condensed interim financial information was approved and authorized by the Board of Directors of the Company for issue on July 02, 2015.

15. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 "Interim Financial Reporting", the condensed interim balance sheet 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 profit and loss account, condensed interim statement of profit or loss and other comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

16. GENERAL

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



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

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