

CRESCENT COTTON MILLS LIMITED



CONDENSED INTERIM FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2015
(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

Yaqub 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, 2015. During the period under review, your company incurred a post-tax loss of Rs. 28.902 Million whereas in the comparative period of last year company incurred a post-tax loss of Rs. 30.306 million.

Total sales revenue of the company for the half year stood at Rs. 1,688.489 Million, whereas, the turnover figures during the same period in year 2014 was Rs. 1,892.998 Million hence depicting a fall of almost ten percent accordingly raw material consumed also decreased as compared to corresponding period. Similarly cost of sales in the period under review stood at 95.19% whereas, up to December 31, 2014 it was around 94.64%.

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 2016 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.

Acknowledgment

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.

For and on behalf of
the Board of Directors



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

FAISALABAD
February 25, 2016

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF**UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION****Introduction**

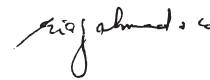
We have reviewed the accompanying unconsolidated condensed interim balance sheet of CRESCENT COTTON MILLS LIMITED as at 31 December 2015 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed 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 2015 and 31 December 2014 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 2015.

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 2015 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: February 25, 2016

FAISALABAD

CRESCENT COTTON

UNCONSOLIDATED CONDENSED INTERIM

(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2015	30 June 2015

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2015: 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

213,775	213,775
352,307	384,549
TOTAL EQUITY	598,324

Surplus on revaluation of freehold land and investment properties

2,543,373	2,543,373
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LIABILITIES

NON-CURRENT LIABILITIES

Employees' retirement benefit

62,379	59,000
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CURRENT LIABILITIES

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

396,322	330,448
6,844	5,168
603,131	328,436
12,779	38,731
1,019,076	702,783
1,081,455	761,783

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

5

TOTAL EQUITY AND LIABILITIES

4,190,910	3,903,480
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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 2015

(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2015	30 June 2015

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment

6	2,940,849	2,922,513
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Investment properties

111,680	111,680
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Long term investments

7	17,449	25,252
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Long term deposits

2,612	2,612
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Deferred income tax asset

39,286	22,321
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3,111,876	3,084,378
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CURRENT ASSETS

Stores, spare parts and loose tools

40,300	40,935
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Stock-in-trade

656,272	395,340
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Trade debts

33,220	56,154
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Loans and advances

57,305	26,439
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Short term deposits, prepayments and balances with statutory authorities

94,292	115,273
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Other receivables

32,281	32,044
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Short term investments

131,417	135,376
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Cash and bank balances

33,947	16,628
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1,079,034	818,189
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Non-current assets held for sale

8	-	913
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1,079,034	819,102
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TOTAL ASSETS

4,190,910	3,903,480
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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 2015 (UN-AUDITED)

		(RUPEES IN THOUSAND)			
		Half year ended		Quarter ended	
NOTE		31 December 2015	31 December 2014	31 December 2015	31 December 2014
	SALES	1,688,489	1,892,998	825,344	753,245
	COST OF SALES	(1,607,311)	(1,791,670)	(797,164)	(717,634)
	GROSS PROFIT	81,178	101,328	28,180	35,611
	DISTRIBUTION COST	(29,042)	(44,398)	(9,194)	(17,670)
	ADMINISTRATIVE EXPENSES	(74,132)	(65,144)	(35,613)	(31,164)
	OTHER EXPENSES	(8,637)	(100)	(8,632)	-
		<u>(111,811)</u>	<u>(109,642)</u>	<u>(53,439)</u>	<u>(48,834)</u>
		(30,633)	(8,314)	(25,259)	(13,223)
	OTHER INCOME	11,919	13,064	8,646	8,838
	(LOSS) / PROFIT FROM OPERATIONS	(18,714)	4,750	(16,613)	(4,385)
	FINANCE COST	(14,374)	(18,173)	(9,219)	(11,223)
	LOSS BEFORE TAXATION	(33,088)	(13,423)	(25,832)	(15,608)
	TAXATION	4,186	(16,883)	13,307	(4,982)
	LOSS AFTER TAXATION	<u>(28,902)</u>	<u>(30,306)</u>	<u>(12,525)</u>	<u>(20,590)</u>
	LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>(1.35)</u>	<u>(1.42)</u>	<u>(0.59)</u>	<u>(0.96)</u>

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 2015 (UN-AUDITED)

		(RUPEES IN THOUSAND)			
		Half year ended		Quarter ended	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
	LOSS AFTER TAXATION	(28,902)	(30,306)	(12,525)	(20,590)
	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	(3,340)	(8,798)	(11,306)	(23,046)
	Other comprehensive loss for the period	(3,340)	(8,798)	(11,306)	(23,046)
	TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(32,242)</u>	<u>(39,104)</u>	<u>(23,831)</u>	<u>(43,636)</u>

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 2015 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended	
	31 December 2015	31 December 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Cash utilized in operations	10	(186,806)	(194,764)
Finance cost paid		(12,698)	(15,382)
Staff retirement gratuity paid		(8,199)	(6,236)
Income tax paid		(16,940)	(20,234)
Net cash utilized in operating activities		<u>(224,643)</u>	<u>(236,616)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure on property, plant and equipment and investment properties		(32,605)	(14,420)
Proceeds from sale of property, plant and equipment		-	147
Investments made		(210)	(10,056)
Profit on bank deposits received		82	4,474
Net cash used in investing activities		<u>(32,733)</u>	<u>(19,855)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Short term borrowings - net		274,695	244,602
Net cash from financing activities		<u>274,695</u>	<u>244,602</u>

Net increase / (decrease) in cash and cash equivalents		17,319	(11,869)
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CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		16,628	119,929
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CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>33,947</u>	<u>108,060</u>
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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 CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2015 (UN-AUDITED)

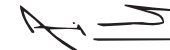
(RUPEES IN THOUSAND)

	SHARE CAPITAL	CAPITAL RESERVES			Sub Total	REVENUE RESERVES				TOTAL	TOTAL EQUITY
		Premium on issue of shares	Plant Modernisation	Fair value		General	Dividend equalization	unappropriated profit	Sub Total		
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
Profit for the half year ended 30 June 2015	-	-	-	-	-	-	-	8,852	8,852	8,852	8,852
Other comprehensive income / (loss) for the half year ended 30 June 2015	-	-	-	13,868	13,868	-	-	(2,093)	(2,093)	11,775	11,775
Total comprehensive income for the half year ended 30 June 2015	-	-	-	13,868	13,868	-	-	6,759	6,759	20,627	20,627
Balance as at 30 June 2015 - (Audited)	213,775	5,496	12,000	98,191	115,687	96,988	4,000	167,874	268,862	384,549	598,324
Loss for the half year ended 31 December 2015	-	-	-	-	-	-	-	(28,902)	(28,902)	(28,902)	(28,902)
Other comprehensive loss for the half year ended 31 December 2015	-	-	-	(3,340)	(3,340)	-	-	-	-	(3,340)	(3,340)
Total comprehensive loss for the half year ended 31 December 2015	-	-	-	(3,340)	(3,340)	-	-	(28,902)	(28,902)	(32,242)	(32,242)
Balance as at 31 December 2015 - (Un-audited)	213,775	5,496	12,000	94,851	112,347	96,988	4,000	138,972	239,960	352,307	566,082

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

Half Yearly Accounts 31 December 2015

**CRESCENT COTTON MILLS LIMITED****SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 31 DECEMBER 2015 (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 Pakistan Stock Exchange Limited. 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 2015 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 have been followed. This unconsolidated condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2015.

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 2015.

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 applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

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 2015: 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 2015: 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 2015: Rupees 35.993 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited against gas connections.

iv) Post dated cheque of Rupees 0.528 million (30 June 2015: Rupees Nil) is issued to custom authorities in respect of duties on imported material availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheque issued as security shall be encashable.

b) Commitments:

i) Letters of credit for capital expenditure as at 31 December 2015 are of Rupees 13.420 million (30 June 2015: Rupees 8.189 million).

ii) Letters of credit for other than capital expenditure as at 31 December 2015 are of Rupees 45.631 million (30 June 2015: Rupees 4.110 million).

(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
	31 December 2015	30 June 2015
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 6.1)	2,749,184	2,730,848
Capital work-in-progress	191,665	191,665
	<u>2,940,849</u>	<u>2,922,513</u>
6.1 Operating fixed assets		
Opening book value	2,730,848	2,757,104
Add:		
Cost of additions during the period / year (Note 6.1.1)	32,605	25,542
Effect of surplus on revaluation as at 30 June 2015	-	20,850
Transferred from non-current assets held for sale (Note 8)	913	-
	<u>2,764,366</u>	<u>2,803,496</u>
Less:		
Book value of deletions during the period / year (Note 6.1.2)	-	325
Transferred to investment properties	-	42,008
	<u>-</u>	<u>42,333</u>
	<u>2,764,366</u>	<u>2,761,163</u>
Less : Depreciation charged during the period / year	15,182	30,315
	<u>2,749,184</u>	<u>2,730,848</u>

6.1.1 Cost of additions during the period / year

Plant and machinery	29,133	18,033
Electric installations	3,087	3,638
Furniture and fixtures	33	283
Vehicles	47	3,502
Office equipment	65	86
Service equipment	240	-
	<u>32,605</u>	<u>25,542</u>

6.1.2 Book value of deletions during the period/year

Plant and machinery	-	44
Vehicles	-	281
	<u>-</u>	<u>325</u>

	(RUPEES IN THOUSAND)	
	UN-AUDITED	AUDITED
	31 December 2015	30 June 2015
7. LONG TERM INVESTMENTS - Available for sale		
Unquoted - Subsidiary company	10,511	10,511
Quoted - Associated companies	175	175
Quoted - Others	1,043	1,043
Unquoted - Others	3,164	3,164
	14,893	14,893
Less: Impairment loss charged to profit and loss account	(8,632)	-
Add: Fair value adjustment	11,188	10,359
	<u>17,449</u>	<u>25,252</u>
8. NON-CURRENT ASSETS HELD FOR SALE		
Opening book value	913	913
Less: Transferred to operating fixed assets (Note 6.1)	913	-
	<u>-</u>	<u>913</u>

8.1 The Board of Directors in their meeting held on 08 October 2015 decided to reclassify non-current assets held for sale to operating fixed assets due to non-availability of buyers of these assets.

	(RUPEES IN THOUSAND)			
	Half year ended		Quarter ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
9. COST OF SALES				
Raw materials consumed	1,091,743	1,198,995	549,723	600,511
Salaries, wages and other benefits	167,569	143,630	83,717	73,668
Stores, spare parts and loose tools consumed	54,083	56,847	26,717	31,369
Fuel and power	248,679	262,329	119,071	136,275
Outside weaving / other charges	140,573	198,919	51,056	25,846
Other manufacturing overheads	4,262	5,064	2,104	2,449
Insurance	2,928	3,121	1,495	1,461
Repair and maintenance	1,475	1,100	672	678
Depreciation	12,967	13,167	6,559	6,673
	<u>1,724,279</u>	<u>1,883,172</u>	<u>841,114</u>	<u>878,930</u>
Work-in-process				
Opening stock	18,251	19,335	15,354	17,475
Closing stock	(17,256)	(16,827)	(17,256)	(16,827)
	995	2,508	(1,902)	648
Cost of goods manufactured	<u>1,725,274</u>	<u>1,885,680</u>	<u>839,212</u>	<u>879,578</u>
Finished goods				
Opening stock	235,716	256,116	311,631	216,754
Closing stock	(357,401)	(378,802)	(357,401)	(378,802)
	(121,685)	(122,686)	(45,770)	(162,048)
	<u>1,603,589</u>	<u>1,762,994</u>	<u>793,442</u>	<u>717,530</u>
Cost of goods purchased for resale	3,722	28,676	3,722	104
	<u>1,607,311</u>	<u>1,791,670</u>	<u>797,164</u>	<u>717,634</u>

	(RUPEES IN THOUSAND)	
	UN-AUDITED	
	31 December 2015	31 December 2014
10. CASH UTILIZED IN OPERATIONS		
Loss before taxation	(33,088)	(13,423)
Adjustments for non-cash charges and other items:		
Depreciation	15,182	15,008
Provision for staff retirement gratuity	11,578	12,748
Gain on sale of property, plant and equipment	-	(43)
Profit on deposits with banks	(92)	(5,179)
Impairment loss on long term investments	8,632	-
Finance cost	14,374	18,173
Working capital changes (Note 10.1)	(203,392)	(222,048)
	<u>(186,806)</u>	<u>(194,764)</u>

10.1 Working capital changes

Decrease / (increase) in current assets

Stores, spare parts and loose tools	635	(10,804)
Stock-in-trade	(260,932)	(360,738)
Trade debts	22,934	31,197
Loans and advances	(30,866)	(10,409)
Short term deposits prepayments and balances with statutory authorities	(810)	(19,822)
Other receivables	(227)	(3,545)
	<u>(269,266)</u>	<u>(374,121)</u>
Increase in trade and other payables	65,874	152,073
	<u>(203,392)</u>	<u>(222,048)</u>

II. SEGMENT INFORMATION
II.1

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	Half year ended		Half year ended		Half year ended		Half year ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	(RUPEES IN THOUSAND)							
Sales	1,651,757	1,501,483	707,824	1,027,512	(671,092)	(635,997)	1,688,489	1,892,998
Cost of sales	(1,593,910)	(1,418,929)	(684,493)	(1,008,738)	671,092	635,997	(1,607,311)	(1,791,670)
Gross profit	57,847	82,554	23,331	18,774	-	-	81,178	101,328
Distribution cost	(9,968)	(20,191)	(19,074)	(24,207)	-	-	(29,042)	(44,398)
Administrative expenses	(73,718)	(62,362)	(414)	(2,782)	-	-	(74,132)	(65,144)
Other expenses	(8,637)	(100)	-	-	-	-	(8,637)	(100)
	(92,323)	(82,653)	(19,488)	(26,989)	-	-	(111,811)	(109,642)
	(34,476)	(99)	3,843	(8,215)	-	-	(30,633)	(8,314)
Other income	11,919	13,064	-	-	-	-	11,919	13,064
(Loss) / profit from operations	(22,557)	12,965	3,843	(8,215)	-	-	(18,714)	4,750
Finance cost	(12,016)	(13,439)	(2,358)	(4,734)	-	-	(14,374)	(18,173)
(Loss) / profit before taxation	(34,573)	(474)	1,485	(12,949)	-	-	(33,088)	(13,423)
Taxation							4,186	(16,883)
Loss after taxation							(28,902)	(30,306)



Crescent Cotton Mills Limited

Half Yearly Accounts 31 December 2015

11.2 Reconciliation of reportable segment assets and liabilities:

	Textiles		Trading		TOTAL	
	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)
	31 December 2015	30 JUNE 2015	31 December 2015	30 JUNE 2015	31 December 2015	30 JUNE 2015
 (RUPEES IN THOUSAND)					
Total assets for reportable segments	<u>4,147,989</u>	<u>3,860,749</u>	<u>3,635</u>	<u>19,497</u>	4,151,624	3,880,246
Unallocated assets:						
Deferred income tax asset					39,286	22,321
Non-current assets held for sale					-	913
Total assets as per balance sheet					<u>4,190,910</u>	<u>3,903,480</u>
Total liabilities for reportable segments	<u>1,045,633</u>	<u>686,356</u>	<u>23,043</u>	<u>36,696</u>	1,068,676	723,052
Unallocated liabilities:						
Provision for taxation					12,779	38,731
Total liabilities as per balance sheet					<u>1,081,455</u>	<u>761,783</u>



12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of 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 2015	31 December 2014	31 December 2015	31 December 2014
(RUPEES IN THOUSAND)			

i) Transactions

Subsidiary company

Rental expense	2,250	2,100	1,125	1,050
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Associated companies

Service charges	8,526	7,383	865	1,960
Loan repaid / adjusted	-	541	-	479
Mark-up expense	-	30	-	12
Investment made	-	10,056	-	10,056
Dividend income	4,861	3,352	4,861	3,352

Other related parties

Loans (repaid to) / received from Directors and Executives - net	(703)	(7,569)	538	(1,983)
Remuneration paid to Chief Executive Officer, Directors and Executives	24,066	20,929	12,033	10,465

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2015	30 June 2015

ii) Period / year end balances

Trade and other payables		
Short term borrowings	8,759	5,292
	176,643	177,346

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 2015.

14. DATE OF AUTHORIZATION

This unconsolidated condensed interim financial information was approved by the Board of Directors and authorized for issue on February 25, 2016.

15. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, 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 year.

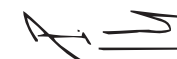
Corresponding figures have been re-arranged, wherever necessary for the purpose of comparison. However, no significant re-arrangements have been made.

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 IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2015	30 June 2015

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2015: 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
419,534	443,465
<u>633,309</u>	<u>657,240</u>

Surplus on revaluation of freehold land and investment properties

2,552,526	2,552,526
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LIABILITIES

NON-CURRENT LIABILITIES

Employees' retirement benefit

62,379	59,000
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CURRENT LIABILITIES

Trade and other payables

Accrued mark-up

Short term borrowings

Provision for taxation

401,327	335,085
18,946	16,970
608,131	333,436
13,747	39,361
<u>1,042,151</u>	<u>724,852</u>
<u>1,104,530</u>	<u>783,852</u>

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

5

TOTAL EQUITY AND LIABILITIES

<u>4,290,365</u>	<u>3,993,618</u>
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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 2015**

(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	31 December 2015	30 June 2015

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment

Investment properties

Long term investments

Long term deposits

Deferred income tax - asset

6	2,954,209	2,936,528
	111,680	111,680
7	208,419	213,786
	3,134	3,134
	<u>35,584</u>	<u>18,620</u>
	<u>3,313,026</u>	<u>3,283,748</u>

CURRENT ASSETS

Stores, spare parts and loose tools

Stock-in-trade

Trade debts

Loans and advances

Short term deposits, prepayments and balances with statutory authorities

Other receivables

Short term investments

Cash and bank balances

Non-current assets held for sale

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44,303	45,086
656,272	395,340
33,220	56,154
57,305	26,439
94,861	115,435
34,926	34,689
19,074	15,755
37,378	20,059
<u>977,339</u>	<u>708,957</u>
-	913
<u>977,339</u>	<u>709,870</u>

TOTAL ASSETS

<u>4,290,365</u>	<u>3,993,618</u>
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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 2015 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended		Quarter ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
SALES	1,688,489	1,892,998	825,344	753,245
COST OF SALES	(1,607,311)	(1,791,670)	(797,164)	(717,634)
GROSS PROFIT	81,178	101,328	28,180	35,611
DISTRIBUTION COST	(29,042)	(44,398)	(9,194)	(17,670)
ADMINISTRATIVE EXPENSES	(74,898)	(66,109)	(35,832)	(32,397)
OTHER EXPENSES	(19)	(100)	(14)	-
	<u>(103,959)</u>	<u>(110,607)</u>	<u>(45,040)</u>	<u>(50,067)</u>
	(22,781)	(9,279)	(16,860)	(14,456)
OTHER INCOME	7,058	9,712	3,785	5,486
PROFIT / (LOSS) FROM OPERATIONS	(15,723)	433	(13,075)	(8,970)
FINANCE COST	(14,674)	(18,473)	(9,369)	(11,373)
	<u>(30,397)</u>	<u>(18,040)</u>	<u>(22,444)</u>	<u>(20,343)</u>
SHARE OF (LOSS) / PROFIT OF ASSOCIATED COMPANY	(814)	(376)	(21,294)	28,171
(LOSS) / PROFIT BEFORE TAXATION	(31,211)	(18,416)	(43,738)	7,828
TAXATION	3,848	(17,198)	13,138	(5,297)
(LOSS) / PROFIT AFTER TAXATION	<u>(27,363)</u>	<u>(35,614)</u>	<u>(30,600)</u>	<u>2,531</u>
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES):	<u>(1.28)</u>	<u>(1.67)</u>	<u>(1.43)</u>	<u>0.12</u>

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 2015 (UN-AUDITED)

(RUPEES IN THOUSAND)

	Half year ended		Quarter ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
(LOSS) / PROFIT AFTER TAXATION	(27,363)	(35,614)	(30,600)	2,531
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified subsequently to profit or loss				
Recognition of actuarial loss on staff retirement gratuity	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Surplus / (deficit) arising on remeasurement of available for sale investments to fair value	3,432	1,887	(1,645)	(14,506)
Other comprehensive income / (loss) for the period	3,432	1,887	(1,645)	(14,506)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	<u>(23,931)</u>	<u>(33,727)</u>	<u>(32,245)</u>	<u>(11,975)</u>

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 2015 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	Half year ended		
	31 December 2015	31 December 2014	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilized in operations	10	(152,541)	(203,285)
Finance cost paid		(12,698)	(15,684)
Staff retirement gratuity paid		(8,199)	-
Income tax paid		(17,345)	(20,399)
Workers' profit participation fund paid		-	-
Net cash utilized in operating activities		(190,783)	(239,368)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment and investment properties		(32,605)	(14,420)
Proceeds from operating fixed assets		-	147
Investments made		(210)	(10,056)
Dividend received from associated companies		4,861	3,352
Profit on bank deposits received		92	4,474
Net cash (used in) / from investing activities		(27,862)	(16,503)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		-	-
Short term borrowings - net		274,695	244,602
Dividend paid		-	-
Net cash from financing activities		274,695	244,602
NET DECREASE IN CASH AND CASH EQUIVALENTS		56,050	(11,269)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		20,059	123,313
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>76,109</u>	<u>112,044</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 2015 (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	(Accumulated loss) / unappropriated profit			Sub Total
Balance as at 30 June 2014 - (Audited)	213,775	5,496	12,000	13,119	30,615	44,975	4,000	394,146	443,121	473,736	687,511
Profit for the half year ended 31 December 2014	-	-	-	-	-	-	-	(35,614)	(35,614)	(35,614)	(35,614)
Other comprehensive income / (loss) for the half year ended 31 December 2014	-	-	-	1,887	1,887	-	-	-	-	1,887	1,887
Total comprehensive 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	358,532	407,507	440,009	653,784
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred income tax	-	-	-	-	-	-	-	1,374	1,374	1,374	1,374
Loss for the half year ended 30 June 2015	-	-	-	-	-	-	-	4,921	4,921	4,921	4,921
Other comprehensive income for the half year ended 30 June 2015	-	-	-	(2,839)	(2,839)	-	-	-	-	(2,839)	(2,839)
Total comprehensive (loss) / income for the half year ended 30 June 2015	-	-	-	(2,839)	(2,839)	-	-	4,921	4,921	2,082	2,082
Balance as at 30 June 2015 - (Audited)	213,775	5,496	12,000	12,167	29,663	44,975	4,000	364,827	413,802	443,465	657,240
Loss for the half year ended 31 December 2015	-	-	-	-	-	-	-	(27,363)	(27,363)	(27,363)	(27,363)
Other comprehensive income for the half year ended 31 December 2015	-	-	-	3,432	3,432	-	-	-	-	3,432	3,432
Total comprehensive (loss) / income for the half year ended 31 December 2015	-	-	-	3,432	3,432	-	-	(27,363)	(27,363)	(23,931)	(23,931)
Balance as at 31 December 2015 - (Un-audited)	213,775	5,496	12,000	15,599	33,095	44,975	4,000	337,464	386,439	419,534	633,309

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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
 Half Yearly Accounts 31 December 2015

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 31 DECEMBER 2015 (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 Pakistan Stock Exchange. 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 preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2015.

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 2015.

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 2015.

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 2015: 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 2015: 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 2015: Rupees 35.993 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited against gas connections.

iv) Post dated cheque of Rupees 0.528 million (30 June 2015: Rupees Nil) is issued to custom authorities in respect of duties on imported material availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheque issued as security shall be encashable.

Subsidiary Company

Contingencies:

The Company is contingently liable for a claim of Rupees 0.215 million (30 June 2015: 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) Letters of credit for capital expenditure as at 31 December 2015 are of Rupees 13.420 million (30 June 2015: Rupees 8.189 million).

ii) Letters of credit for other than capital expenditure as at 31 December 2015 are of Rupees 45.631 million (30 June 2015: Rupees 4.110 million).

(RUPEES IN THOUSAND)

	UN-AUDITED 31 December 2015	AUDITED 30 June 2015
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 6.1)	2,762,544	2,744,863
Capital work-in-progress	191,665	191,665
	<u>2,954,209</u>	<u>2,936,528</u>
6.1 Operating fixed assets		
Opening book value	2,744,863	2,782,021
Add:		
Cost of additions during the period / year (Note 6.1.1)	32,605	25,542
Effect of surplus on revaluation as at 30 June 2015	-	20,850
Transferred from non-current assets held for sale	913	-
	<u>2,778,381</u>	<u>2,828,413</u>
Less:		
Book value of deletions during the period / year (Note 6.1.2)	-	325
Net decrease in revaluation	-	8,633
Transferred to investment property	-	42,008
Depreciation charged during the period / year	15,837	32,584
	<u>15,837</u>	<u>83,550</u>
	<u>2,762,544</u>	<u>2,744,863</u>
Book value at the end of the period / year		
6.1.1 Cost of additions during the period / year		
Plant and machinery	29,133	18,033
Electric installations	3,087	3,638
Furniture and fixtures	13	283
Vehicles	47	3,502
Office equipment	85	86
Service equipment	240	-
	<u>32,605</u>	<u>25,542</u>
6.1.2 Book value of deletions during the period / year		
Plant and machinery	-	44
Vehicles	-	281
	<u>-</u>	<u>325</u>
7. LONG TERM INVESTMENTS		
In associates:		
Cost	52,537	52,537
Share of post acquisition profit:		
At the beginning of the period / Year	151,290	154,343
Share of profit during the period / year	(5,675)	(3,053)
	<u>145,615</u>	<u>151,290</u>
	<u>198,152</u>	<u>203,827</u>
Available for sale:		
Quoted - Others	2,641	2,988
Unquoted - Others	3,164	3,164
	<u>5,805</u>	<u>6,152</u>
Less: Impairment loss charged to profit and loss account	(14)	(347)
Add: Fair value adjustment	4,476	4,154
	<u>10,267</u>	<u>9,959</u>
	<u>208,419</u>	<u>213,786</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

	(RUPEES IN THOUSAND)	
	UN-AUDITED 31 December 2015	AUDITED 30 June 2015
Opening book value	913	913
Less : Transferred to operating fixed assets (Note 6.1)	913	-
	<u>-</u>	<u>913</u>

Half year ended		Quarter ended	
31 December 2015	31 December 2014	31 December 2015	31 December 2014

9. COST OF SALES

Raw material consumed	1,091,743	1,198,995	549,723	600,511
Salaries, wages and other benefits	167,569	143,630	83,717	73,668
Stores, spare parts and loose tools consumed	54,083	56,847	26,717	31,369
Fuel and power	248,679	262,329	119,071	136,275
Outside weaving charges	140,573	198,919	51,056	25,846
Other manufacturing overheads	4,262	5,064	2,104	2,449
Insurance	2,928	3,121	1,495	1,461
Repair and maintenance	1,475	1,100	672	678
Depreciation	12,967	13,167	6,559	6,673
	<u>1,724,279</u>	<u>1,883,172</u>	<u>841,114</u>	<u>878,930</u>
Work-in-process:				
Opening stock	18,251	19,335	15,354	17,475
Closing stock	(17,256)	(16,827)	(17,256)	(16,827)
	<u>995</u>	<u>2,508</u>	<u>(1,902)</u>	<u>648</u>
Cost of goods manufactured	<u>1,725,274</u>	<u>1,885,680</u>	<u>839,212</u>	<u>879,578</u>
Finished goods:				
Opening stock	235,716	256,116	311,631	216,754
Closing stock	(357,401)	(378,802)	(357,401)	(378,802)
	<u>(121,685)</u>	<u>(122,686)</u>	<u>(45,770)</u>	<u>(162,048)</u>
	<u>1,603,589</u>	<u>1,762,994</u>	<u>793,442</u>	<u>717,530</u>
Cost of goods purchased for resale	3,722	28,676	3,722	104
	<u>1,607,311</u>	<u>1,791,670</u>	<u>797,164</u>	<u>717,634</u>

(RUPEES IN THOUSAND)

UN-AUDITED 31 December 2015	AUDITED 30 June 2015

10. CASH UTILIZED IN OPERATIONS

Profit before taxation	(31,211)	(18,416)
Adjustments for non-cash charges and other items:		
Depreciation	15,837	16,142
Provision for staff retirement gratuity	11,578	6,512
Gain on sale of operating fixed assets	-	(43)
Share of loss/(profit) from associate company	814	376
Loans and advances written off	-	-
Profit on deposits with banks	(92)	(5,179)
Finance cost	14,674	18,473
Impairment loss on investments	14	-
Provision for workers' profit participation fund	-	302
Working capital changes (Note 10.1)	(164,155)	(221,452)
	<u>(152,541)</u>	<u>(203,285)</u>

11.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	783	(10,796)
Stock-in-trade	(260,932)	(360,738)
Trade debts	22,934	31,197
Loans and advances	(30,866)	(10,409)
Short term deposits prepayments and balances with statutory authorities	37,921	(19,821)
Other receivables	(237)	(3,545)
	<u>(230,397)</u>	<u>(374,112)</u>
Increase in trade and other payables	66,242	152,660
	<u>(164,155)</u>	<u>(221,452)</u>

II. SEGMENT INFORMATION

II.1

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	Half year ended		Half year ended		Half year ended		Half year ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	(RUPEES IN THOUSAND)							
Sales	1,296,974	1,501,483	1,027,512	1,027,512	(635,997)	(635,997)	1,688,489	1,892,998
Cost of sales	(1,234,570)	(1,418,929)	(1,008,738)	(1,008,738)	635,997	635,997	(1,607,311)	(1,791,670)
Gross profit	62,404	82,554	18,774	18,774	-	-	81,178	101,328
Distribution cost	(4,835)	(20,191)	(24,207)	(24,207)	-	-	(29,042)	(44,398)
Administrative expenses	(72,116)	(63,327)	(2,782)	(2,782)	-	-	(74,898)	(66,109)
Other expenses	(19)	(100)	-	-	-	-	(19)	(100)
	(76,970)	(83,618)	(26,989)	(26,989)	-	-	(103,959)	(110,607)
Other income	(14,566)	(1,064)	(8,215)	(8,215)	-	-	(22,781)	(9,279)
	7,058	9,712	-	-	-	-	7,058	9,712
Profit from operations	(7,508)	8,648	(8,215)	(8,215)	-	-	(15,723)	433
Finance cost	(9,940)	(13,739)	(4,734)	(4,734)	-	-	(14,674)	(18,473)
(Loss) / profit before taxation and unallocated income and expenses	(17,448)	(5,091)	(12,949)	(12,949)	-	-	(30,397)	(18,040)
Share of (loss) / profit from associated companies							(814)	(376)
Taxation							3,848	(17,198)
(Loss) / profit after taxation							<u>(27,363)</u>	<u>(35,614)</u>



11.2 Reconciliation of reportable segment assets and liabilities:

	Textiles		Trading		TOTAL	
	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)	(UN-AUDITED)	(AUDITED)
	31 December 2015	30 JUNE 2015	31 December 2015	30 JUNE 2015	31 December 2015	30 JUNE 2015
	(RUPEES IN THOUSAND)					
Total assets for reportable segments	<u>4,251,146</u>	<u>3,954,588</u>	<u>3,635</u>	<u>19,497</u>	4,254,781	3,974,085
Deferred income tax asset					35,584	18,620
Non-current assets held for sale					-	913
Total assets as per balance sheet					<u>4,290,365</u>	<u>3,993,618</u>
Total liabilities for reportable segments	<u>1,067,740</u>	<u>707,795</u>	<u>23,043</u>	<u>36,696</u>	1,090,783	744,491
Unallocated liabilities:						
Provision for taxation					13,747	39,361
Total liabilities as per balance sheet					<u>1,104,530</u>	<u>783,852</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 2015	31 December 2014	31 December 2015	31 December 2014

i) Transactions

Associated companies

Service charges	8,526	7,383	1,960	1,960
Loan repaid / adjusted	1,673	541	479	479
Mark-up expense	-	30	12	12

Other related parties

Loans (repaid to)/received from directors and executives	(703)	(7,569)	538	(22,959)
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Remuneration paid to Chief Executive Officer, Directors and Executives	-	20,929	-	10,465
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(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
31 December 2015	30 June 2014

ii) Period end balances

Trade and other payables	6,647	2,752
Short term borrowings	176,643	177,346

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 year ended 30 June 2015.

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 February 25, 2016.

15. CORRESPONDING FIGURES

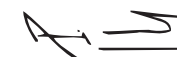
In order to comply with the requirements of IAS 34 "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year; whereas, the condensed interim 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

BOOK POST
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