Crescent Fibres

Annual Report 2013

CONTENTS

COMPANY INFORMATION

Board of Directors	Khawar Maqbool	(Chairperson, Non-Executive Director)
	Imran Maqbool	(Chief Executive, Executive Director)
	Humayun Maqbool	(Executive Director)
	Jahanzeb Saeed Khan	(Independent, Non-Executive Director)
	Nadeem Maqbool	(Non-Executive Director)
	Naila Humayun Maqbool	(Non-Executive Director)
	Riaz Masood	(Executive Director)
Chief Financial Officer	Kamran Rasheed	
Company Secretary	Javaid Hussain	
Audit Committee	Jahanzeb Saeed Khan	(Chairman)
	Nadeem Maqbool	(Member)
	Naila Humayun Maqbool	(Member)
Human Resources & Remuneration Committee	Naila Humayun Maqbool	(Chairperson)
	Humayun Maqbool	(Member)
	Nadeem Maqbool	(Member)
Auditors	BDO Ebrahim & Company Chartered Accountants	
Legal Advisor	Mohsin Tayebally & Sons	
Registered Office	104 Shadman 1, Lahore - 54000 Tel : (042) 3757 - 9641, 3757- 6482 Fax : (042) 3756 - 0963	
E-mail:	lo@crescentfibres.com	
Website:	www.crescentfibres.com	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the shareholders of Crescent Fibres Limited will be held on Thursday the 31st October, 2013 at 9.30 a.m. at Registered Office of the Company 104-Shadman-1, Lahore to transact the following business:

1. To receive, consider and adopt Audited Accounts of the Company for the year ended 30th June, 2013 together with Auditors and Directors reports thereon.

2. To approve payment of cash dividend @ 15% i.e. Rs.1.50 per share for the year ended June 30, 2013 as recommended by the Board of Directors.

3. To appoint Auditors and fix their remuneration. The retiring auditors M/s. BDO Ebrahim & Company, Chartered Accountants offer themselves for re-appointment.

October 2, 2013	**By Order of the Board**
REGISTERED OFFICE	**JAVAID HUSSAIN**
104-Shadman-1, Lahore,	**Company Secretary**

NOTES:

1. The Share Transfer Books of the Company will remain closed from 22nd October, 2013 to 31st October, 2013 (both days inclusive).

2. In view of SECP directives to withhold Dividend Warrants of those members or their authorized persons, who have not yet provided an attested copy of their CNIC, shareholders are once again requested to provide attested copies of their CNICs directly to the Company. Corporate entities are requested to provide their National Tax Number (NTN).

3. A member eligible to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be valid must be received by the company duly completed not less than 48 hours before the Meeting.

4. CDC shareholders are requested to bring with them their National Identity Cards alongwith participants' ID number and their account numbers at the time of Annual General Meeting in order to facilitate identification. In case of corporate entity, a certified copy of the resolution passed by the Board of Directors/valid Power of Attorney with the specimen signature of the nominee be produced at the time of meeting.

MISSION STATEMENT

To achieve a leadership position in providing innovative and high-quality products in all sectors of operations.

To be recognized as an organization that delivers on its commitments with integrity and excellent value.

To foster an environment of growth, prosperity, and long term relationships, through dedication to the principles of openness, honesty, and professionalism.

To be an equal opportunity employer, and to motivate and empower every employee to strive for excellence in meeting the needs of our customers.

To be a responsible corporate citizen and contribute to our community by participating in social and environmental causes.

DIRECTORS' REPORT

The Company reported after tax profit of Rs. 243.6 million for the year ended June 30, 2013 as compared to a profit of Rs. 73.7 million for the twelve months ended June 30, 2012. The earnings per share for the period under review was Rs. 19.62.

Crescent Fibres Limited
Summarized Financial Results

Rupees in millions	Year Ended 30-Jun-13		Year Ended 30-Jun-12	
	Rs.	% of Sales	Rs.	% of Sales
Sales	3,143.7	100.0%	2,790.4	100.0%
Cost of Sales	(2,699.4)	85.9%	(2,515.1)	90.1%
Gross Profit	444.2	14.1%	275.3	9.9%
Distribution Cost	(9.4)	0.3%	(11.2)	0.4%
Administrative Expenses	(72.5)	2.3%	(62.1)	2.2%
Other Expenses	(24.5)	0.8%	(12.4)	0.4%
Other Income	18.0	0.6%	16.0	0.6%
Profit from Operations	355.8	11.3%	205.7	7.4%
Financial Charges / Other	(70.8)	2.3%	(97.0)	3.5%
Profit before Taxation	285.0	9.1%	108.7	3.9%
Taxations	(41.4)	1.3%	(35.0)	1.3%
Profit/(Loss) After Taxes	243.6	7.7%	73.7	2.6%
Earnings per Share	19.62		5.93	

The textile industry has witnessed robust demand over the last few years and this trend continued in the last financial year having a significant impact on sales growth. The strong demand combined with stable raw material prices led to a significant increase in profitability. Overall, sales were higher by 12.7% as compared to the year ending June 2012 with a gross margin of 14.1% as compared to 9.9% in the previous year. In spite of inflationary pressures, distribution and administrative expenses were controlled and were more or less unchanged as a percentage of sales relative to last year. The operating margin in the period under review was 11.3% as compared to 7.4% for the year ended June 30, 2012. During the year, the State Bank adopted a looser monetary policy especially towards the later half of the year and this led to lower interest rates. Owing to this, financial charges as a percentage of sales were 2.3% in the period under review as compared to 3.5% for the previous period. Overall, the net margin for the year was 7.7% as compared to 2.6% for the year ended June 30, 2012.

In the financial statements, the auditors have observed that they have not been furnished requisite documentation regarding short term financing aggregating Rs 12 million. The Management is pursuing the lending institution to resolve this issue but believes that adequate provision for this liability and mark-up has been made in the books of account.

During the year, elections were held for the Board of Directors of the company. The following Director's were elected unopposed: Khawar Maqbool, Humayun Maqbool, Nadeem Maqbool, Naila Humayun Maqbool, Riaz Masood, Shahid Riaz and Jahanzeb Saeed Khan. Mr. Imran Maqbool, was appointed as CEO for a three year term on May 1, 2013. He also joined the Board in his capacity as CEO.

DIVIDEND
The Board of Director's has approved a final cash dividend of 15% which translates to Rs. 1.50 per share.

COMMITTEES

The Board of Directors in compliance with the Code of Corporate Governance has established an Audit Committee with the following members:

<u>Audit Committee</u>

Jahanzeb Saeed Khan, Chairman (Independent, Non-Executive)
Nadeem Maqbool, Member (Non-Executive)
Naila Humayun Maqbool, Member (Non-Executive)

The Board has also established a Human Resource and Remuneration Committee with the following members:

<u>Human Resource and Remuneration Committee</u>

Naila Humayun Maqbool, Chairperson (Non-Executive)
Humayun Maqbool, Member (Executive)
Nadeem Maqbool, Member (Non-Executive)

FUTURE OUTLOOK

While extensive monetary easing over the last few years has supported improvement in market sentiment and economic activity, the global economy has yet to shake off the fallout from the crisis of 2008-2009. As a result, global growth is forecasted at 3%, significantly below the long-term trend. For the foreseeable future, the economic environment will be characterized by uncertainty and volatility with slower growth rates not only in the mature markets but also in the major emerging markets.

In line with slower economic growth, the outlook for the textile industry is also uncertain. China has emerged as one of the largest markets for Pakistan's textile industry and as the economy there slows down, it is expected to have a dampening effect on demand and end product prices. The other major challenge faced by the industry is that of energy shortages. The industry is being subjected to extensive gas load shedding even in the summer months and therefore must place greater reliance on electricity from the national grid where load shedding has been as high as 10 hours a day. Owing to loss of productivity because of energy shortages, the perpetually rising cost of power and inflationary trend in other inputs and slowing demand, we expect margins to come under pressure. However, we feel that this pressure could be eased if raw material prices start to decrease owing to the expected abundant supply of cotton once crops in the major growing countries start to come in.

The Management will continue to strive to minimize the impact of the uncertain economic environment through improved efficiency and productivity and sound, low risk decision-making. However, to ensure long term success these efforts must be supported by strong growth of global economies, availability of reliable and competitively priced energy, and improved law and order.

CORPORATE GOVERNANCE & FINANCIAL REPORTING FRAMEWORK

Under rules framed by the regulatory authorities, the Management is required to include the following statements relating to Corporate Governance and Financial Reporting Framework in the Director's Report:

(a) The financial statements prepared by the Management presently fairly its state of affairs, the results of its operations, cash flows and changes in equity.
(b) Proper books of account have been maintained.
(c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

(d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure thereon has been adequately disclosed.

(e) The system of internal control adopted by the Management is sound in design. Efforts are underway to ensure its effective implementation.

(f) There are no significant doubts with regard to the Company's ability to continue as a going concern.

(g) Key financial and operating data for the last six years has been included elsewhere in the annual report.

(h) There has been no significant departure from the best practices of corporate governance, as detailed in the listing regulations.

(i) All details regarding taxes and levies are disclosed in the financial statements and notes annexed to the audited accounts.

(j) The value of investments of the provident fund based on audited accounts for the Year Ended June 30, 2013 was Rs. 43.372 million .

(k) During the year 5 meetings of the Board of Directors were held. Attendance was as follows:

1. Imran Maqbool, Chief Executive Officer (5)
2. Humayun Maqbool (5)
3. Jahanzeb Saeed Khan (1)
4. Khawar Maqbool (5)
5. Nadeem Maqbool (5)
6. Naila Humayun Maqbool (5)
7. Riaz Masood (5)
8. Shahid Riaz (4)

Mr. Shahid Riaz resigned from the Board on August 1, 2013 and Mr. Imran Maqbool was co-opted as a Director in his place.

(l) Pattern of Shareholding is included elsewhere in the annual report.

(m) Details regarding shares traded / right share subscribed in the financial year by Directors, CEO, CFO, Company Secretary and their spouses and minor children are as follows:

Imran Maqbool - 122,500 shares
Humayun Maqbool - 50,000 shares
Nadeem Maqbool - 100,000 shares
Khawar Maqbool - 12,500 shares

AUDITORS

The present auditors, BDO Ebrahim & Co. retire, and being eligible have offered themselves for re-appointment.

APPRECIATION

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

IMRAN MAQBOOL
Chief Executive Officer
October 02, 2013

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Pakistan

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance for the year ended June 30, 2013 prepared by the Board of Directors of **CRESCENT FIBRES LIMITED** (the Company) to comply with the Listing Regulations of Karachi Stock Exchange (Guarantee) Limited, Lahore Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited, where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code of Corporate Governance.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Further, the Listing Regulations of Karachi Stock Exchange (Guarantee) Limited, Lahore Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited require the Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the Audit Committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance, for the year ended June 30, 2013

KARACHI

DATED: OCTOBER 02, 2013

CHARTERED ACCOUNTANTS
Engagement partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance contained in the Listing Regulation No. 35 of Stock Exchanges of Pakistan for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principal contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive director and director representing minority interest on its board of director. At present the board include:

Category	Names
Executive Directors	Imran Maqbool, Humayun Maqbool, Riaz Masood
Non-Executive Directors	Khawar Maqbool,Nadeem Maqbool, Naila Humayun Maqbool
Independent, Non-Execuive Director	Jahanzeb Saeed Khan

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.

3. All the resident director of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of stock exchange, has been declared as a defaulter by that stock exchange.

4. During the year no casual vacancy occurred.

5. The company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board.

8. The meetings of the board were presided over by the Chairperson and in her absence, by a director elected by the board for this purpose and board met at least once in every quarter. Written notice of the board meetings, along with agenda and working papers, were circulated at least seven days before the meeting. The minutes of the meetings were appropriately recorded and circulated.

9. In accordance with the criteria specified on clause (Xi) of CCG, three directors of the Company are exempted from the requirement of director's training program. One Director has completed the training program, and rest of the directors to be trained within specified time.

10. The board has approved appointments of CFO, Company's Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment.

11. The director's report for this year has been prepared in compliance with the requirement of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statement of the Company were duly endorsed by the CEO and CFO before approval of the board.

13. The director, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.

14. The company has complied with all the corporate and financial reporting requirements of the CCG.

15. The board has formed an Audit Committee. It comprises three members, of whom two are non executive director and the chairman of the committee is an independent director.

16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

17. The board has formed an HR and Remuneration Committee. It comprises three members, of whom two are non executive director and the chairperson of the committee is a non executive director.

18. The board has set up an effective internal audit function.

19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

20. The statutory auditors of the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The 'closed period' prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of the company's securities, was determined and intimated to director, employees and stock exchanges.

22. Material / price sensitive information has been disseminated among all market participants at once through stock exchanges.

23. We confirm that all other material principles contained in the CCG have been complied.

On behalf of the Board of Directors

IMRAN MAQBOOL
CHIEF EXECUTIVE

October 02, 2013

FINANCIAL SUMMARY

OPERATING RESULTS:	JUNE 2013	JUNE 2012	JUNE 2011	JUNE 2010	JUNE 2009	JUNE 2008
Net Sales	3,143,650,003	2,790,421,868	2,718,476,154	1,769,385,178	1,427,452,866	1,237,568,671
Cost of Sales	2,699,445,832	2,515,100,271	2,437,710,090	1,512,825,424	1,318,432,874	1,150,932,207
Distribution and admin. Expenses	81,921,483	73,217,593	67,275,551	58,083,996	49,659,317	49,547,869
Financial Charges	70,834,987	97,052,678	62,998,292	42,049,313	54,524,472	32,037,671
Other operating expenses	24,497,107	12,432,450	12,160,834	13,589,612	1,016,980	895,799
Other operating income - Net	18,032,470	16,042,023	20,222,177	10,946,935	9,720,926	12,897,912
Share of associate profit	39,904	5,827	172,946	257,785	(307,537)	473,904
Pre-Tax Profit/ (Loss)	285,022,968	108,666,726	158,726,510	154,041,552	13,232,612	17,526,941
Taxation	41,422,094	35,006,439	30,104,412	43,296,811	772,533	6,234,224
Net Income	243,600,874	73,660,287	128,622,098	110,744,741	12,460,079	11,292,718
PER SHARE RESULTS AND RETURN:						
Share Price	31.05	8.50	12.95	8.25	6.15	14.85
Earning Per Share	19.62	5.93	10.36	8.92	1.00	0.91
Dividend Per Share	1.50	1.00	-	1.00	-	-
Net Income Sales Percent	7.75%	2.64%	4.73%	6.26%	0.87%	0.91%
Return on Average Assets Percent	16.45%	5.47%	12.31%	16.10%	1.85%	1.52%
Return on Average Equity Percent	39.60%	16.53%	37.33%	47.44%	6.08%	4.50%
FINANCIAL POSITION:						
Current Assets	833,093,406	666,068,574	653,777,689	446,102,403	342,589,416	401,686,714
Current Liabilities	517,174,728	490,314,672	542,499,819	372,166,926	386,290,983	384,328,681
Operating Fixed Assets	751,415,870	649,682,681	651,592,808	274,157,920	282,340,414	300,962,706
Total Assets	1,617,161,979	1,343,697,481	1,349,195,032	740,827,012	635,048,098	711,823,443
Long Term Debt	203,304,923	248,028,762	320,504,714	19,549,227	29,482,313	61,537,754
Shareholders Equity	741,779,245	488,593,030	402,413,928	286,678,039	180,225,355	229,579,421
Break-up Value Per Share	59.73	39.35	32.41	23.09	14.51	18.49
FINANCIAL RATIOS:						
P/E Ratio	1.58	1.43	1.25	0.93	6.13	16.33
Current Ratio	1.61	1.36	1.21	1.20	0.89	1.05
Total Debt to Total Assets Percent	54.13%	63.64%	70.17%	61.30%	71.62%	67.75%
Interest Charges Cover (Times)	5.024	2.120	3.520	4.663	1.243	1.547
Inventory Turnover (Times)	10.319	9.781	10.924	9.652	8.612	7.202
Fixed Assets Turnover (Times)	4.184	4.295	4.172	6.454	5.056	4.112
Total Assets Turnover (Times)	1.944	2.077	2.015	2.388	2.248	1.739
OTHER DATA:						
Depreciation and Amortization	66,898,499	67,511,276	35,601,334	28,151,353	29,842,625	31,263,483
Capital Expenditure	140,746,469	57,147,062	398,473,138	22,257,973	9,141,345	14,543,689

BDO

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **CRESCENT FIBRES LIMITED** as at June 30, 2013 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

The balance under the head of short term borrowings includes an amount of Rs. 12.000 million and mark up accrued thereon amounting to Rs. 20.385 million for which supporting information has not been furnished to us. No provision for markup has been recorded on this balance during the year. Further, we have not received an independent confirmation of these balances from the financial institution. These balances have been presented in the financial statements as per the books of accounts. In the absence of any supporting information, we are unable to confirm the existence and completeness of these balances and the related mark up expenses.

Except for the adjustments in respect of the matters stated above:

a) in our opinion proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

   i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;

   ii) the expenditure incurred during the year was for the purpose of the Company's business; and

   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) except for the adjustments in respect of the matters stated above, in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2013 and of the profit, comprehensive income, its cash flows and changes in equity for the year then ended; and

d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat fund established under Section 7 of that Ordinance.

KARACHI

DATED: 0 2 OCT 2013

CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BALANCE SHEET
AS AT JUNE 30, 2013

	Note	2013 Rupees	2012 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	5	737,619,781	649,682,681
Capital work-in-progress	6	13,796,089	-
		751,415,870	649,682,681
Intangible assets	7	-	386,220
Long term investments	8	2,426,759	2,471,332
Long-term deposits	9	30,225,944	25,088,674
		784,068,573	677,628,907
CURRENT ASSETS			
Stores, spares and loose tools	10	38,617,856	36,315,787
Stock-in-trade	11	231,316,123	216,963,164
Trade debts	12	291,906,713	246,765,232
Loans and advances	13	8,521,910	5,919,658
Trade deposits and short term prepayments	14	3,377,946	3,587,509
Other receivables	15	614,351	799,030
Short term investments	16	110,202,585	42,996,516
Tax refund due from Government	17	52,021,514	15,496,848
Taxation - net	29	25,515,907	28,928,079
Cash and bank balances	18	70,998,501	68,296,751
		833,093,406	666,068,574
TOTAL ASSETS		1,617,161,979	1,343,697,481
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
15,000,000 (2012: 15,000,000) ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid up capital	19	124,178,760	124,178,760
Reserves	20	617,600,485	364,414,270
		741,779,245	488,593,030
NON-CURRENT LIABILITIES			
Long term financing	21	203,304,923	248,028,762
Liabilities against assets subject to finance lease	22	24,837,379	23,529,579
Deferred income	23	-	-
Deferred taxation	24	130,065,704	93,231,438
		358,208,006	364,789,779
CURRENT LIABILITIES			
Trade and other payables	25	291,868,111	226,568,584
Interest and markup accrued	26	30,196,771	33,070,905
Short-term financing	27	86,361,209	141,476,328
Current portion of long term liabilities	28	108,748,637	89,198,855
		517,174,728	490,314,672
CONTINGENCIES AND COMMITMENTS	30		
TOTAL EQUITY AND LIABILITIES		1,617,161,979	1,343,697,481

The annexed notes from 1 to 51 form an integral part of these financial statements.

IMRAN MAQBOOL
CHIEF EXECUTIVE

NADEEM MAQBOOL
DIRECTOR

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013 Rupees	2012 Rupees
Sales - net	31	3,143,650,003	2,790,421,868
Cost of sales	32	(2,699,445,832)	(2,515,100,271)
Gross profit		444,204,171	275,321,597
General and administrative expenses	33	(72,480,781)	(62,061,729)
Distribution cost	34	(9,440,702)	(11,155,864)
Other income	35	18,032,470	16,042,023
Other operating expenses	36	(24,497,107)	(12,432,450)
		(88,386,120)	(69,608,020)
Operating profit		355,818,051	205,713,577
Financial charges	37	(70,834,987)	(97,052,678)
Share of profit of associate	8.1	39,904	5,827
		(70,795,083)	(97,046,851)
Profit before taxation		285,022,968	108,666,726
Taxation	38	(41,422,094)	(35,006,439)
Profit for the year		243,600,874	73,660,287
Earnings per share - basic and diluted	39	19.62	5.93

Appropriations have been reflected in the statements of changes in equity.

The annexed notes from 1 to 51 form an integral part of these financial statements.

IMRAN MAQBOOL
CHIEF EXECUTIVE

NADEEM MAQBOOL
DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2013

	2013 Rupees	2012 Rupees
Profit for the year	243,600,874	73,660,287
Other comprehensive income		
Unrealized gain on revaluation of investments classified as available for sale	22,003,217	12,518,815
Total comprehensive income for the year	265,604,091	86,179,102

The annexed notes from 1 to 51 form an integral part of these financial statements.

IMRAN MAQBOOL
CHIEF EXECUTIVE

NADEEM MAQBOOL
DIRECTOR

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013 Rupees	2012 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	41	411,220,048	339,873,550
Finance cost paid		(73,709,121)	(107,841,835)
Taxes paid		(30,033,760)	(28,080,274)
Net cash generated from operating activities		307,477,167	203,951,441
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(140,746,469)	(57,147,062)
Long term deposits		(5,137,270)	(8,428,734)
Dividend received		84,477	84,475
Short term investment		(44,000,000)	(700,000)
Long term advances		-	23,020,850
Proceeds from disposal of operating fixed assets		4,498,000	10,412,885
Net cash used in investing activities		(185,301,262)	(32,757,586)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		50,000,000	-
Repayments of long term financing		(81,598,998)	(2,241,063)
Deferred revenue		-	231,821
Dividend paid		(12,113,569)	-
Repayments of liabilities against assets subject to finance leases		(20,646,469)	(12,336,031)
Short term borrowings - net		(55,115,119)	(127,959,396)
Net cash used in financing activities		(119,474,155)	(142,304,669)
Net increase in cash and cash equivalents		2,701,750	28,889,186
Cash and cash equivalent at the beginning of the year		68,296,751	39,407,566
Cash and cash equivalent at the end of the year		70,998,501	68,296,751

The annexed notes from 1 to 51 form an integral part of these financial statements.

IMRAN MAQBOOL
CHIEF EXECUTIVE

NADEEM MAQBOOL
DIRECTOR

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2013

	Issued, subscribed and paid-up capital	Capital reserve: Unrealized gain / (loss) on available for sale investment	Revenue reserves: Unappropriated profit	Total
	Rupees			
Balance as at July 01, 2011	124,178,760	(4,588,411)	282,823,579	402,413,928
Total comprehensive income for the year				
Profit for the year	-	-	73,660,287	73,660,287
Other comprehensive income	-	12,518,815	-	12,518,815
	-	12,518,815	73,660,287	86,179,102
Balance as at June 30, 2012	124,178,760	7,930,404	356,483,866	488,593,030
Total comprehensive income for the year				
Profit for the year	-	-	243,600,874	243,600,874
Other comprehensive income	-	22,003,217	-	22,003,217
	-	22,003,217	243,600,874	265,604,091
Transactions with owners				
Dividend declared	-	-	(12,417,876)	(12,417,876)
Balance as at June 30, 2013	124,178,760	29,933,621	587,666,864	741,779,245

The annexed notes from 1 to 51 form an integral part of these financial statements.

IMRAN MAQBOOL
CHIEF EXECUTIVE

NADEEM MAQBOOL
DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

1 STATUS AND NATURE OF BUSINESS

Crescent Fibres Limited ("the Company") was incorporated in Pakistan on August 06, 1977 under the Companies Act, 1913 (repealed by Companies Ordinance, 1984) as a public limited company. The Company's shares are listed on all the Stock Exchanges in Pakistan. The registered office of the Company is situated at 104 Shadman 1, Lahore. The principal business of the Company is manufacture and sale of yarn. The Company's manufacturing facilities are located at Nooriabad Industrial Estate, District Dadu, in the Province of Sindh, and at Bhikhi, District Sheikhupura in the Province of Punjab.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984 (the Ordinance), directives issued by the Securities and Exchange Commission of Pakistan (SECP) and approved financial reporting standards as applicable in Pakistan. Approved financial reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the provisions of the Ordinance. Wherever, the requirements of the Ordinance or directives issued by the SECP differ with the requirements of these standards, the requirements of the Ordinance and of the said directives have been followed.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the measurement at fair value of certain financial instruments in accordance with the requirements of IAS-39 "Financial Instruments: Recognition and Measurement", wherever applicable.

These financial statements have been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

These financial statements are presented in Pak rupee, which is the functional and presentation currency for the Company.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Amendments that are effective in current year but not relevant to the Company

The Company has adopted the amendments to the following accounting standards which became effective during the year:

		Effective date (annual periods beginning on or after)
IAS 1	Presentation of Financial Statements - Amendments to revise the way other comprehensive income is presented	July 01, 2012
IAS 12	Income Taxes	January 01, 2012

3.2 Amendments not yet effective

The following amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

IFRS 1	First-time Adoption of International Financial Reporting Standards - Amendments for government loan with a below-market rate of interest when transitioning to IFRSs and amendments resulting from Annual Improvements 2009-2011 Cycle (repeat application, borrowing costs)	January 01, 2013
IFRS 7	Financial Instruments Disclosures - Amendments related to the offsetting of assets and liabilities	January 01, 2013
IFRS 7	Financial Instruments Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	January 01, 2015
IFRS 9	Financial Instruments - Reissue to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirements	January 01, 2013
IFRS 9	Financial Instruments - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	January 01, 2015

		Effective date (annual periods beginning on or after)
IFRS 10	Consolidated Financial Statements - Amendments to transitional guidance	January 01, 2013
IFRS 10	Consolidated Financial Statements - Amendments for investment entities	January 01, 2014
IFRS 11	Joint Arrangements - Amendments to transitional guidance	January 01, 2013
IFRS 12	Disclosure of Interests in Other Entities - Amendments to transitional guidance	January 01, 2013
IFRS 12	Disclosure of Interests in Other Entities - Amendments for investment entities	January 01, 2014
IAS 1	Presentation of Financial Statements - Amendments resulting from Annual Improvements 2009-2011 Cycle (comparative information)	January 01, 2013
IAS 16	Property, Plant and Equipment - Amendments resulting from Annual Improvements 2009-2011 Cycle (servicing equipment)	January 01, 2013
IAS 19	Employee Benefits - Amended standard resulting from the post-employment benefits and termination benefits projects	January 01, 2013
IAS 27	Separate Financial Statements - Amendments for investment entities	January 01, 2014
IAS 32	Financial Instruments: Presentation - Amendments relating to the offsetting of assets and liabilities	January 01, 2014
IAS 32	Financial Instruments: Presentation - Amendments resulting from Annual Improvements 2009-2011 Cycle (tax effect of equity distributions)	January 01, 2013
IAS 34	Interim Financial Reporting - Amendments resulting from Annual Improvements 2009-2011 Cycle (interim reporting of segment assets)	January 01, 2013

		Effective date (annual periods beginning on or after)
IAS 36	Impairment of Assets - Recoverable amount disclosures for non financial assets	January 01, 2014
IAS 39	Financial Instruments: Recognition and Measurement - Amendments for novations of derivatives	January 01, 2014

3.3 Standards or interpretations not yet effective

The following International Financial Reporting Standards or interpretations issued by IASB would be effective from the dates mentioned below against the respective standard or interpretation:

IFRS 9	Financial Instruments	January 01, 2013
IFRS 10	Consolidated Financial Statements	January 01, 2013
IFRS 11	Joint Arrangements	January 01, 2013
IFRS 12	Disclosure of Interests in Other Entities	January 01, 2013
IFRS 13	Fair Value Measurement	January 01, 2013
IAS 27	Separate Financial Statements	January 01, 2013
IAS 28	Investments in Associates and Joint Ventures	January 01, 2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	January 01, 2013
IFRIC 21	Levies	January 01, 2014

The Company expects that the adoption of the above amendments and interpretations of the standards will not have any material impact and therefore will not affect the Company's financial statements in the period of initial application.

4 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Property, plant and equipment

a) Owned

These are stated at cost less accumulated depreciation and impairment losses, if any, except freehold land which is stated at cost.

Depreciation is charged to income applying the reducing balance method at the rates specified in the respective note and after taking into account residual value. Leasehold land is amortized over the term of lease.

Depreciation on additions during the year is charged on pro-rata basis when the assets are available for use. Similarly the depreciation on deletion is charged on pro-rata basis up to the period when the asset is derecognized.

The assets residual values and useful lives are reviewed, and adjusted if significant, at each balance sheet date. Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gains and losses if any, on disposal of property, plant and equipment are included in income currently.

b) Leased

Finance leases

Assets held under finance leases are recognized as assets of the Company at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

Depreciation is charged at rates used for similar owned assets, so as to depreciate the assets over their estimated useful lives in view of certainty of ownership of the assets at the end of the lease term.

Income arising from sale and lease back transactions, if any, is deferred and amortized equally over the lease period.

Operating leases

Lease payments under operating leases (net of any incentives received from the lessor) are charged to profit and loss account on a straight line basis over the respective lease term.

c) Capital work in progress

Capital work in progress represents expenditure on property, plant and equipment which are in the course of construction and installation. Transfers are made to relevant property, plant and equipment category as and when assets are available for use. Capital work in progress is stated at cost less any identified impairment losses.

4.2 Intangible assets

An intangible asset is stated at cost less accumulated amortization and impairment loss, if any. Amortization is charged to income applying the straight line method over the useful life of the asset. Amortization is charged on additions during the year from the month in which the asset is acquired and in respect of disposals during the year upto the month in which the asset is disposed off.

Cost associated with maintaining intangible assets are recognized as an expense as and when incurred.

Gains and losses if any, on disposal of intangible assets are included in income currently.

The carrying value of intangible asset is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the asset is written down to its recoverable amount.

4.3 Impairment losses

The carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is estimated in order to determine the extent of impairment loss, if any.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in profit and loss account.

The recoverable amount is the higher of an assets fair value less costs to sell and value in use.

4.4 Investments in associates - equity method

Entities in which the Company has significant influence but not control and which are neither its subsidiaries nor joint ventures are associates and are accounted for by using the equity method of accounting.

These investments are initially recognized at cost and thereafter, the carrying amount is increased or decreased to recognize the Company's share of profit and loss of associates. Share of post acquisition profit and loss of associates is accounted for in the Company's profit and loss account. Distribution received from investee reduces the carrying amount of investment.

The changes in the associate's equity which have not been recognized in the associates' profit and loss account, are recognised directly in the equity of the Company.

4.5 Stores, spares and loose tools

These are stated at lower of cost and net realisable value. Cost is determined using moving average method. Items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Adequate provision is made for slow moving and obsolete items.

4.6 Stock in trade

These are valued at the lower of cost and net realizable value applying the following basis:

Raw material	- At weighted average cost
Work in progress	- Average manufacturing cost
Finished goods	- Average manufacturing cost
Waste	- Net realizable value

Goods in transit are stated at invoice price plus other charges paid thereon up to the balance sheet date.

Cost of work in process and finished goods comprises of cost of direct material, labour and appropriate portion of manufacturing overheads. Adequate provision is made for slow moving and obsolete items.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale. Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories are expected to realize.

4.7 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice amount being the fair value of the consideration to be received in future. An estimated provision is made against debts considered doubtful of recovery, whereas debts considered irrecoverable are written off.

4.8 Taxation

Current

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years and tax credit, if any.

Deferred

Deferred tax is recognized using the balance sheet liability method in respect of all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

4.9 Cash and bank balance

Cash in hand and at bank are carried at nominal amounts.

4.10 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

4.11 Provisions

A provision is recognized in the balance sheet when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate where ever required. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.12 Borrowings and their cost

Borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

4.13 Employee retirement benefits

a) Defined contribution plan

The Company operates an approved provident fund scheme covering all its permanent employees. Equal monthly contributions are made both by the Company and the employees in accordance with the rules of the Scheme.

b) Compensated absences

The liability in respect of compensated absences of employees is accounted for in the period in which the absences accrue.

4.14 Revenue recognition

Sales are recorded on dispatch of goods. However, export goods are considered sold when shipped on board.

Scrap sales are recognized when delivery is made to customers.

Rental income is recognized on accrual basis.

Income from bank deposits, loans and advances is recognized on accrual basis.

Dividend income is recognized when the right to receive is established.

4.15 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, cash in transit and balances with banks.

4.16 Financial instruments

4.16.1 Financial assets

All the financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to profit and loss account currently.

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held to maturity and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

- **Investments at fair value through profit or loss**

A non-derivative financial asset is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Investments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognized in profit and loss when incurred.

Investments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are included in current assets, except for maturities greater than 12 months after the balance sheet, which are classified as non-current assets. The Company's loans and receivables comprise 'trade debts', 'loans and deposits', 'other receivables' and 'cash and cash equivalents' in the balance sheet.

- **Held to maturity**

Held to maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity with a positive intention to hold to maturity.

These investments are stated at amortised cost. Amortisation of premium / discount, if any, on the acquisition of investments is carried out using the effective yield method.

- **Available for sale**

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. These are included in non-current assets unless the investment matures or management intends to dispose of the financial assets within twelve months of the balance sheet date.

Other investments not covered in any of the above categories including investments in associates in which the Company has no significant influence are classified as being available for sale and are stated at fair value, with any resultant gain or loss being recognized directly in equity. Gains or losses on available for sale investments are recognised directly in equity until the investments are sold or disposed off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously reported in the equity is included in current year's profit and loss account.

All investments classified as available for sale are initially recognized at cost inclusive of transaction costs and subsequently quoted investments are marked to market using the last quoted rate at the close of the financial year. Fair value of unquoted investments is estimated based on appropriate valuation method if it is practicable to determine it.

Fair value of listed securities are the quoted prices on stock exchange at balance sheet date.

The Company follows trade date accounting for regular way of purchase and sales of securities, except for sale and purchase of securities in futures market, which are accounted for at settlement date.

4.16.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respect of carrying amounts is recognized in the profit and loss account.

4.17 Offsetting of financial assets and financial liabilities

Financial asset and financial liability is offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.18 Foreign currency translation

Transactions in foreign currencies are translated into Pak rupees at the exchange rates prevailing at the date of transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated into Pak rupees at the rates of exchange prevailing at the balance sheet date.

Foreign exchange differences are recognized in the profit and loss account.

4.19 Related party transactions

All transactions with related parties are carried out by the Company at an arms' length price method and the transfer price is determined in accordance with the comparable uncontrolled price method.

4.20 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity.

4.21 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the year in which it is approved by the shareholders.

4.22 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the period.

4.23 Segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company has only one reportable segment.

4.24 Significant accounting judgements and critical accounting estimates / assumptions

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

a) Property, plant and equipment

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of property, plant and equipment. Any change in these estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with corresponding effect on the depreciation charge and impairment loss.

b) Stores, spares, loose tools and stock-in-trade

The Company has made estimates for realizable amount of slow moving and obsolete stores, spares, loose tools and stock-in-trade to determine provision for slow moving and obsolete items. Any future change in estimated realizable amounts might affect carrying amount of stores, spares and stock-in-trade with corresponding affect on amounts recognized in profit and loss account as provision/reversal.

c) Provision for taxation

The Company takes into account the current income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the Income Tax Department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

5 **OPERATING FIXED ASSETS**

5.1 Reconciliation of the carrying amount of operating fixed assets:

Description	Owned											Leased			Total
	Freehold land	Leasehold Land	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Tools and equipment	Electric installation	Service equipment	Leased plant and machinery	Leased vehicles	Leased office equipment	
	Rupees														
Net carrying value basis year ended June 30, 2013															
Opening net book value (NBV)	2,896,444	2,771,773	67,477,887	6,591,991	504,039,403	1,302,007	7,042,400	1,566,299	875,018	7,851,869	73,140	29,948,937	16,981,321	264,192	649,682,681
Additions / transfer (at cost)	-	-	1,003,128	-	123,132,752	146,500	2,530,500	137,500	-	-	-	26,641,924	2,995,000	-	156,587,304
Transfer from leased assets to own assets (NBV)	-	-	-	-	-	-	4,518,989	-	-	-	-	-	(4,518,989)	-	-
Disposals (NBV)	-	-	-	-	(1,524,461)	(21,056)	(592,408)	-	-	-	-	-	-	-	(2,137,925)
Depreciation charge	-	(34,128)	(3,373,894)	(329,600)	(51,630,809)	(140,440)	(2,514,728)	(333,885)	(87,502)	(785,187)	(14,628)	(4,501,022)	(2,713,618)	(52,838)	(66,512,279)
Closing net book value	2,896,444	2,737,645	65,107,121	6,262,391	574,016,885	1,287,011	10,984,753	1,369,914	787,516	7,066,682	58,512	52,089,839	12,743,714	211,354	737,619,781
Gross carrying value basis year ended June 30, 2013															
Cost	2,896,444	3,378,976	126,555,532	31,641,118	1,142,860,574	6,490,884	24,089,290	7,504,682	4,498,949	26,919,116	1,033,627	62,492,383	22,839,511	645,000	1,463,846,086
Accumulated depreciation / impairment	-	(641,331)	(61,448,411)	(25,378,727)	(568,843,689)	(5,203,873)	(13,104,537)	(6,134,768)	(3,711,433)	(19,852,434)	(975,115)	(10,402,544)	(10,095,797)	(433,646)	(726,226,305)
Net book value	2,896,444	2,737,645	65,107,121	6,262,391	574,016,885	1,287,011	10,984,753	1,369,914	787,516	7,066,682	58,512	52,089,839	12,743,714	211,354	737,619,781
Depreciation rate (% per annum)	-	1%	5%	5%	10%	10%	20%	20%	10%	10%	20%	10%	20%	20%	
Net carrying value basis year ended June 30, 2012	-	-	-	-	-	-	-	-	-						
Opening net book value (NBV)	2,896,444	2,805,901	69,258,175	7,006,397	511,510,347	1,446,675	7,511,378	1,777,941	972,242	8,724,298	91,426	24,911,621	12,349,723	330,240	651,592,808
Additions (at cost)	-	-	1,645,967	-	54,532,194	-	1,624,500	165,726	-	-	-	8,212,885	8,232,500	-	74,413,772
Transfer from leased assets to own assets (NBV)	-	-	-	-	-	-	386,826	-	-	-	-	-	(386,826)	-	-
Disposals (NBV)	-	-	-	-	(8,212,885)	-	(985,956)	-	-	-	-	-	-	-	(9,198,841)
Depreciation charge	-	(34,128)	(3,426,255)	(414,406)	(53,790,253)	(144,668)	(1,494,348)	(377,368)	(97,224)	(872,429)	(18,286)	(3,175,569)	(3,214,076)	(66,048)	(67,125,058)
Closing net book value	2,896,444	2,771,773	67,477,887	6,591,991	504,039,403	1,302,007	7,042,400	1,566,299	875,018	7,851,869	73,140	29,948,937	16,981,321	264,192	649,682,681
Gross carrying value basis year ended June 30, 2012															
Cost	2,896,444	3,378,976	125,552,404	31,641,118	1,021,252,283	6,365,440	17,632,209	7,367,182	4,498,949	26,919,116	1,033,627	35,850,459	24,363,500	645,000	1,309,396,707
Accumulated depreciation / impairment	-	(607,203)	(58,074,517)	(25,049,127)	(517,212,880)	(5,063,433)	(10,589,809)	(5,800,883)	(3,623,931)	(19,067,247)	(960,487)	(5,901,522)	(7,382,179)	(380,808)	(659,714,026)
Net book value	2,896,444	2,771,773	67,477,887	6,591,991	504,039,403	1,302,007	7,042,400	1,566,299	875,018	7,851,869	73,140	29,948,937	16,981,321	264,192	649,682,681
Depreciation rate (% per annum)	-	1%	5%	5%	10%	10%	20%	20%	10%	10%	20%	10%	20%	20%	

5.2 The following operating assets were disposed off during the year:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of buyer / insurer	Address
	Rupees						
Vehicles	1,087,500	960,848	126,652	350,000	Negotiation	Ms. Nadia Ibrahim	Plot # 4-C/27, Nazimabad 4, Karachi.
	830,500	679,619	150,881	590,000	Negotiation	S. M. Asif Nazir	House No. 28 Street No. 11 Allama Iqbal Road Lahore.
	1,330,500	1,015,627	314,873	650,000	Negotiation	Muhammad Nasrullah	House No. 232 A Near Thokar Niaz Baig. Canal View Housing Society.
	3,248,500	2,656,094	592,406	1,590,000			
Plant and machinery	9,058,584	8,399,542	659,042	790,000	Negotiation	M/s. Gulam Rasool Textile Mills	32 - K. M. Sheikhupura Road, Saddar, District Faislabad
	11,013,935	10,191,565	822,370	1,100,000	Negotiation	M/s. Gulam Rasool Textile Mills	32 - K. M. Sheikhupura Road, Saddar, District Faislabad
	5,456,325	5,413,275	43,050	1,000,000	Negotiation	Stallion Textile (Private) Limited	Plot No. 41-C Badar Commercial Street 7-A PH -V DHA, Karachi.
	25,528,844	24,004,382	1,524,462	2,890,000			
Furniture and fixtures	244,256	223,200	21,056	18,000	Negotiation	Scrap	Various
Total - 2013	29,021,600	26,883,676	2,137,924	4,498,000			
Total - 2012	12,009,885	2,811,042	9,198,843	10,412,885			

	Note	2013 Rupees	2012 Rupees
5.3 The depreciation charge for the year has been allocated as follows:			
Cost of sales	32	60,742,140	61,810,265
General and administrative expenses	33	5,770,139	5,314,793
		66,512,279	67,125,058

6 CAPITAL WORK-IN-PROGRESS

Description	Cost			
	As at July 01, 2012	Additions during the year	Transferred to operating fixed assets	As at June 30, 2013
	Rupees			
Building / improvements on leasehold land	-	6,122,328	1,003,128	5,119,200
Mobilization advance	-	8,676,889	-	8,676,889
Total - 2013	-	14,799,217	1,003,128	13,796,089
Total - 2012	821,325	824,642	1,645,967	-

7 INTANGIBLE ASSETS

	Note	2013 Rupees	2012 Rupees
Net carrying value basis			
Opening book value		386,220	772,440
Amortization charge	7.1	(386,220)	(386,220)
Closing net book value		-	386,220
Gross carrying value basis			
Cost		1,931,100	1,931,100
Accumulated amortization		(1,931,100)	(1,544,880)
Net book value		-	386,220
Amortization rate per annum		20%	20%
7.1 The amortization charge for the year has been allocated as follows:			
General and administrative expenses	33	386,220	386,220

	Note	2013 Rupees	2012 Rupees

8 LONG TERM INVESTMENT

	Note	2013 Rupees	2012 Rupees
In associated undertaking	8.1	2,426,759	2,471,332

8.1 In associated undertaking

	2013 Rupees	2012 Rupees
Premier Insurance Limited		
84,477 shares of Rs. 5 each (2012: 84,477 shares)		
Cost of investment	930	930
Accumulated share of post acquisition profit - net of dividend received	2,470,402	2,549,050
Share of profit for the year	39,904	5,827
Dividend received during the year	(84,477)	(84,475)
	2,425,829	2,470,402
	2,426,759	2,471,332

Market value of investment in associate was Rs. 675,816 (2012: Rs. 591,339).

Interim financial statements of associated company for the period ended June 30, 2013 (reviewed) have been used for the purpose of application of equity method.

The percentage of equity held in associate is 0.1395% (2012: 0.1395%).

Summarised financial information of Premier Insurance Limited as of June 30, 2013 is set out below:

	2013 Rupees	2012 Rupees
Total assets	3,367,596,000	3,473,154,000
Total liabilities	1,627,984,000	1,701,590,000
Net assets	1,739,612,000	1,771,564,000
Underwriting results	(49,069,000)	(34,515,000)
Investment income	72,978,000	42,969,000
Profit / (loss) after tax	28,053,000	(11,762,000)
Company's share of associate's net assets	2,426,759	2,471,332

9 LONG-TERM DEPOSITS

	2013 Rupees	2012 Rupees
Security deposits		
Leases	20,451,714	15,314,444
Others	9,774,230	9,774,230
	30,225,944	25,088,674

	Note	2013 Rupees	2012 Rupees

10 STORES, SPARES AND LOOSE TOOLS

		2013 Rupees	2012 Rupees
Stores		20,003,855	18,804,070
Spares		19,493,688	17,993,688
Loose tools		111,964	66,964
		39,609,507	36,864,722
Less: Provision for slow moving items		(991,651)	(548,935)
		38,617,856	36,315,787

10.1 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

11 STOCK IN TRADE

		2013 Rupees	2012 Rupees
Raw material			
In hand		169,005,056	152,146,191
Work-in-process		45,165,156	47,945,678
Finished goods		17,145,911	16,871,295
		231,316,123	216,963,164

12 TRADE DEBTS

	Note	2013 Rupees	2012 Rupees
(Secured - considered good)		300,026	2,389,176
(Unsecured - considered good)	12.1	291,606,687	244,376,056
(Unsecured - considered doubtful)		3,061,816	1,872,794
		294,968,529	248,638,026
Less: Provision for doubtful debts	12.2	(3,061,816)	(1,872,794)
		291,906,713	246,765,232

12.1 This includes balance amounting to Rs. 22.280 million (2012: Rs. 7.459 million) due from Suraj Cotton Mills Limited, an associated undertaking.

12.2 Provision for doubtful debts

		2013 Rupees	2012 Rupees
Opening balance		1,872,794	4,604,894
Trade debts written off during the year		-	(2,732,100)
Provision for the year		1,189,022	-
Closing balance		3,061,816	1,872,794

	Note	2013 Rupees	2012 Rupees
12.3 The aging of related party balances at the balance sheet date is as follows:			
Not past due		22,280,000	7,459,000
Past due by 1 - 15 days		-	-
Past due by 16 - 30 days		-	-
		22,280,000	7,459,000

13 LOANS AND ADVANCES

	Note	2013 Rupees	2012 Rupees
Loans to staff			
Unsecured		10,000	31,000
Advances (unsecured)			
To suppliers / contractors		8,207,553	211,828
Against imports		296,057	5,664,830
Against expenses		8,300	12,000
		8,511,910	5,888,658
		8,521,910	5,919,658

14 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	Note	2013 Rupees	2012 Rupees
Bank guarantee and LC margin		3,059,711	3,059,711
Short term prepayments		318,235	527,798
		3,377,946	3,587,509

15 OTHER RECEIVABLES

	Note	2013 Rupees	2012 Rupees
(Considered good)			
Other receivables		614,351	799,030

16 SHORT TERM INVESTMENTS

	Note	2013 Rupees	2012 Rupees
Available for sale	16.1	63,799,733	41,796,516
At fair value through profit or loss	16.2	45,202,852	-
Held to maturity	16.3	1,200,000	1,200,000
		110,202,585	42,996,516

	Note	2013 Rupees	2012 Rupees

16.1 Available for sale

	Note	2013 Rupees	2012 Rupees
At cost		41,178,797	41,178,797
Cumulative fair value gain / (loss)		29,933,621	7,930,404
Impairment loss		(7,312,685)	(7,312,685)
		22,620,936	617,719
	16.1.1	63,799,733	41,796,516

16.1.1 Details of available for sale investments are as under:

Number of shares 2013	Number of shares 2012		Market value 2013	Market value 2012
		Quoted - At fair value		
1,271,633	1,271,633	The Crescent Textile Mills Limited	22,507,904	11,317,534
1,031	1,031	Crescent Cotton Mills Limited	51,550	22,187
285,357	285,357	Jubilee Spinning and Weaving Mills Limited	1,712,142	333,868
1,289,278	1,289,278	Shakarganj Mills Limited	28,183,617	16,605,901
50,060	50,060	Crescent Jute Products limited	80,597	48,558
850,855	850,855	Samba Bank Limited	2,186,697	1,956,967
		Unquoted - At breakup		
25,000	25,000	Crescent Modaraba Management Company	143,000	142,544
533,623	533,623	Crescent Bahuman Limited	8,934,226	11,368,958
			63,799,733	41,796,516

16.2 At fair value through profit or loss

Number of units 2013	Number of units 2012		2013	2012
		Quoted - At fair value		
447,419	-	MCB Cash Management - Optimizer Growth	45,202,852	-

16.3 Held to maturity

	Note	2013	2012
Term deposit certificates	16.3.1	1,200,000	1,200,000

16.3.1 These term deposit certificates carry markup at rates ranging from 9.70% to 10% per annum (2012:10% to 10.5% per annum). These are due to mature between April 18, 2014 and May 30, 2014.

	Note	2013 Rupees	2012 Rupees
17 TAX REFUNDS DUE FROM GOVERNMENT			
Sales tax refundable		22,861,872	15,496,848
Income tax refundable		29,159,642	-
		52,021,514	15,496,848
18 CASH AND BANK BALANCES			
Cash in hand		918,495	598,611
Cash with banks			
In current accounts		60,826,203	38,212,159
In saving accounts	18.1	9,253,803	29,485,981
		70,080,006	67,698,140
		70,998,501	68,296,751

18.1 The balance in saving accounts carry profit at rate of 6% (2012: 5%) per annum.

19 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of ordinary shares of Rs. 10/- each 2013	2012		2013 Rupees	2012 Rupees
9,128,510	9,128,510	Fully paid in cash	91,285,100	91,285,100
535,533	535,533	Fully paid issued to financial institution against conversion of loan	5,355,330	5,355,330
2,753,833	2,753,833	Fully paid bonus shares	27,538,330	27,538,330
12,417,876	12,417,876		124,178,760	124,178,760
59,745	59,745	Shares held by associated undertakings	597,450	597,450

	Note	2013 Rupees	2012 Rupees

20 RESERVES

	Note	2013 Rupees	2012 Rupees
Capital reserve			
Unrealized gain on available for sale investment		29,933,621	7,930,404
Revenue reserves			
Unappropriated profit		587,666,864	356,483,866
		617,600,485	364,414,270

21 LONG TERM FINANCING

	Note	2013 Rupees	2012 Rupees
From banking companies - secured			
Term finance 1	21.1	32,413,333	36,465,000
Term finance 2	21.2	205,992,383	269,865,000
Term finance 3	21.3	50,000,000	-
		288,405,716	306,330,000
Less: Current portion shown under current liabilities	28	85,100,793	71,975,952
		203,304,923	234,354,048
From Directors - unsecured		-	13,674,714
		203,304,923	248,028,762

21.1 This facility has been obtained from MCB Bank Limited for generator to meet the power requirement of Textile Unit-2 expansion located at Bikhi. The rate of mark-up is 11.20% as per State Bank of Pakistan LTF scheme and is payable semi-annually over a period of 4.5 years after a grace period of 18 months with installments starting from January 2013.

21.2 This facility has been obtained from MCB Bank Limited for expansion of Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 2.5% and is payable semiannually over a period of 4.5 years after a grace period of 18 months. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million.

21.3 This facility has been obtained from KASB Bank Limited to finance plant and machinery for BMR and capacity expansion in Textile Unit 1 located at Nooriabad. The rate of mark-up is 3 months KIBOR + 3.5% and is payable quarterly over a period of 4.5 years after a grace period of 6 months. The finance facility is secured against pari passu charge over fixed assets of the Company including land, building, plant and machinery with 30% margin and personal guarantee of Directors of the Company.

	Note	2013 Rupees	2012 Rupees

22 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASES

	Note	2013 Rupees	2012 Rupees
Secured			
Balance as July 01		40,752,482	36,663,128
Additions during the year		28,379,210	16,425,385
		69,131,692	53,088,513
Payments / adjustments during the year		(20,646,469)	(12,336,031)
		48,485,223	40,752,482
Less: Payable within one year shown under current liabilities	28	(23,647,844)	(17,222,903)
		24,837,379	23,529,579

This represents finance leases entered into with financial institutions for plant and machinery, vehicles and office equipment. Financing rates ranging from 12.35% to 19.45% (2012: 16.63% to 19.45%) per annum have been used as a discounting factor. At the end of the lease period the ownership of assets shall be transferred to the Company on payment of residual values of the assets. These facilities are secured by security deposit and personal guarantees of directors and hypothecation charge on leased assets.

The future minimum lease payments to which the Company is committed under the lease agreements and the periods in which they will become due are as follows:

	2013			2012		
	Upto one year	One to five years	Total	Upto one year	One to five years	Total
	Rupees			Rupees		
Minimum lease payments outstanding	27,031,122	26,472,542	53,503,664	20,526,932	24,606,311	45,133,243
Financial charges not due	(3,383,278)	(1,635,157)	(5,018,435)	(3,304,029)	(1,076,732)	(4,380,761)
Present value of minimum lease payments	23,647,844	24,837,385	48,485,229	17,222,903	23,529,579	40,752,482
Payable within one year shown under current liabilities	(23,647,844)	-	(23,647,844)	(17,222,903)	-	(17,222,903)
	-	24,837,385	24,837,385	-	23,529,579	23,529,579

23 DEFERRED INCOME

	Note	2013 Rupees	2012 Rupees
Deferred gain on sale and leaseback	23.1	-	231,820
Less: Current portion shown under current liabilities		-	(231,820)
		-	-

23.1 The Company has entered into sale and lease back with Orix Leasing Pakistan Limited for a period of three years. The gain arising on this transaction is deferred over the lease period of three years.

	Note	2013 Rupees	2012 Rupees

24 DEFERRED TAXATION

Deferred taxation is composed of:			
Taxable temporary differences:			
Accelerated tax depreciation allowance		147,928,861	147,888,563
Deductible temporary differences:			
Lease rentals		(16,484,977)	(14,263,369)
Investment credit 2011		-	(8,173,455)
Investment credit 2012		-	(4,631,931)
Turnover tax 2011		-	(26,932,892)
Provision for slow moving items		(337,162)	-
Provision for doubtful debts		(1,041,018)	(655,478)
		(17,863,157)	(54,657,125)
		130,065,704	93,231,438

25 TRADE AND OTHER PAYABLES

	Note	2013 Rupees	2012 Rupees
Creditors	25.1	108,711,454	111,492,038
Accrued liabilities		143,876,411	85,868,284
Payable to provident fund		1,740,866	991,924
Workers' Profit Participation Fund	25.2	15,392,203	5,751,175
Due to Chief Executive and Directors		4,720,896	3,790,945
Advance from customer		3,035,490	12,170,550
Unclaimed dividend		894,689	592,573
Withholding tax payable		783,045	220,900
Workers' Welfare Fund		11,273,801	3,844,919
Current portion of deferred gain on sale and leaseback		-	231,820
Other liabilities		1,439,256	1,613,456
		291,868,111	226,568,584

25.1 This includes balance amounting to Rs. 12.990 million (2012: Rs. 13.452 million) due to an associated undertaking.

	Note	2013 Rupees	2012 Rupees

25.2 Workers' Profit Participation Fund balance comprises as follows:

Balance as at July 01,		5,751,175	8,524,517
Add: Allocation for the year		15,392,203	5,751,175
Interest on funds utilized in the Company's business		413,484	692,978
		21,556,862	14,968,670
Less: Amount paid during the year		(6,164,659)	(9,217,495)
		15,392,203	5,751,175

26 INTEREST AND MARKUP ACCRUED

Mark-up accrued on secured:			
Long-term financing		3,753,001	3,636,050
Short-term financing		26,443,770	29,434,855
		30,196,771	33,070,905

27 SHORT-TERM FINANCING

From banking companies - secured			
Running / cash finance	27.1	74,361,209	129,476,328
Bills discounting	27.2	12,000,000	12,000,000
		86,361,209	141,476,328

27.1 The Company has obtained short term finance facilities from various commercial banks. The aggregate facilities under mark-up arrangements amounted to Rs. 672 million (2012: Rs. 410 million). The rate of mark up on these finance facilities ranges between 1 month and 3 months KIBOR plus 1% to 4% per annum (2012: 3 month KIBOR plus 1% to 4% per annum) and is payable quarterly.

The Company also has a facility for opening letters of credit under mark-up arrangements amounting to Rs. 200 million (2012: Rs. 170 million) from a commercial bank. The unutilized balance at the end of the year was Rs. 182.908 million (2012: Rs. 122.265 million).

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

27.2 Facility amounting to Rs. 12 million (2012: Rs. 12 million) is subject to discounting charges at the rate of 8.00% (2012: 8.00%) per annum and is secured against personal guarantee of Directors and demand promissory note.

	Note	2013 Rupees	2012 Rupees

28 CURRENT PORTION OF LONG TERM LIABILITIES

	Note	2013 Rupees	2012 Rupees
Long term financing	21	85,100,793	71,975,952
Liabilities against assets subject to finance leases	22	23,647,844	17,222,903
		108,748,637	89,198,855

29 TAXATION - NET

		2013 Rupees	2012 Rupees
Provision for taxation		4,587,828	1,372,770
Advance income tax		(30,103,735)	(30,300,849)
		(25,515,907)	(28,928,079)

30 CONTINGENCIES AND COMMITMENTS

30.1 Contingencies

a) Guarantees have been issued by banking companies in normal course of business amounting to Rs. 28.077 million (2012: Rs. 31 million).

b) Crescent Sugar Mills and Distillery Limited has filed a case against the Company for an amount of Rs. 53.850 million on the basis of case documents filed. The Company has a recorded liability of Rs. 17.542 million as the best estimate of amounts owed. No provision for the difference amount has been made as management is of the view that the basis is frivolous and in view of counter claims available with the Company is confident that the balance amount shall not be payable.

30.2 Commitments

The Company was committed as at the balance sheet date as follows:

Letters of credit against import of plant and machinery amounting to Rs. 9.604 million (2012: Rs. 19.437 million).

Letters of credit against raw material and normal consumption amounting to nil (2012: Rs. 8.297 million).

	Note	2013 Rupees	2012 Rupees

31 SALES - NET

	Note	2013 Rupees	2012 Rupees
Export - yarn		4,862,798	29,194,392
Local			
Yarn		3,151,625,245	2,742,941,581
Waste		20,390,484	29,036,574
		3,172,015,729	2,771,978,155
Less: Sales tax		22,155,133	-
Net sales		3,154,723,394	2,801,172,547
Brokerage and commission		(31,452,735)	(27,501,532)
		3,123,270,659	2,773,671,015
Trading - local		20,379,344	16,750,853
		3,143,650,003	2,790,421,868

32 COST OF SALES

	Note	2013 Rupees	2012 Rupees
Material consumed	32.1	1,958,408,287	1,845,600,381
Salaries, wages and other benefits	32.2	205,060,129	157,712,931
Packing material consumed		37,558,952	31,815,806
Stores, spares and loose tools consumed		57,349,360	53,214,698
Provision for slow moving items		442,716	251,570
Power and fuel		331,929,642	271,469,382
Depreciation	5.3	60,742,140	61,810,265
Repairs and maintenance		7,676,810	4,460,387
Insurance		6,796,791	6,344,307
Other manufacturing overheads		12,831,945	11,066,524
Manufacturing cost		2,678,796,772	2,443,746,251
Opening work-in-process		47,945,678	63,291,818
Closing work-in-process		(45,165,156)	(47,945,678)
		2,780,522	15,346,140
Cost of goods manufactured		2,681,577,294	2,459,092,391
Cost of goods purchased for trading		18,143,154	14,820,451
		2,699,720,448	2,473,912,842
Opening stock of finished goods		16,871,295	61,338,724
Insurance claim		-	(3,280,000)
Closing stock of finished goods		(17,145,911)	(16,871,295)
		(274,616)	41,187,429
		2,699,445,832	2,515,100,271

	Note	2013 Rupees	2012 Rupees

32.1 Material consumed

Opening stock		152,146,191	96,124,081
Purchases including related expenses		1,975,267,152	1,901,622,491
		2,127,413,343	1,997,746,572
Closing stock		(169,005,056)	(152,146,191)
		1,958,408,287	1,845,600,381

32.2 Salaries, wages and other benefits include Rs. 5.505 million (2012: Rs. 3.987 million) in respect of staff retirement benefits.

33 GENERAL AND ADMINISTRATIVE EXPENSES

	Note	2013 Rupees	2012 Rupees
Directors' remuneration		12,950,746	12,679,752
Staff salaries and other benefits	33.1	23,649,553	20,578,869
Repairs and maintenance		2,265,477	1,992,752
Vehicles running and maintenance		5,664,266	4,978,400
Insurance		1,124,064	1,234,160
Printing and stationery		868,859	890,124
Telephone and postage		1,416,967	1,517,779
Traveling and conveyance		5,673,834	3,325,164
Fees and subscription		1,602,177	954,075
Legal and professional charges		842,013	805,900
Depreciation	5.3	5,770,139	5,314,793
Amortization	7.1	386,220	386,218
Utilities		2,951,229	2,777,441
Rent, rates and taxes		3,050,209	946,648
Entertainment		1,857,161	1,602,054
Donation	33.2	110,000	-
Others		2,297,867	2,077,600
		72,480,781	62,061,729

33.1 Salaries and other benefits include Rs. 2.068 million (2012: Rs. 1.920 million) in respect of staff retirement benefits.

33.2 The represents donation paid to Maqbool Trust, an associated undertaking.

34 DISTRIBUTION COST

		2013 Rupees	2012 Rupees
Ocean freight		47,295	473,502
Local freight and insurance		8,914,504	9,531,621
Shipping expenses		296,637	232,103
Other		182,266	918,638
		9,440,702	11,155,864

	Note	2013 Rupees	2012 Rupees

35 OTHER OPERATING INCOME

	Note	2013 Rupees	2012 Rupees
Gain on disposal of fixed assets	35.1	2,591,896	1,445,862
Unrealized gain on remeasurement of		1,202,852	-
Interest on bank deposits		2,414,577	672,080
Dividend income		1,160	-
Rental income		11,821,602	11,073,780
Gain on scrap sales		383	5,325
Liabilities no longer payable written back		-	2,844,976
		18,032,470	16,042,023

35.1 This includes an amount of Rs. 0.231 million in respect of gain on sale and lease back with Orix Leasing Pakistan Limited. The gain arising on this transaction is deferred over the lease period of three years.

36 OTHER OPERATING EXPENSES

	2013 Rupees	2012 Rupees
Auditors' remuneration:		
Statutory audit	390,000	340,000
Half yearly review	75,000	75,000
Special reports and sundry services	22,000	22,000
	487,000	437,000
Impairment loss on available for sale investment	-	5,638,673
Provision for bad debts	1,189,022	-
Workers' Welfare Fund	7,428,882	605,602
Workers' Profit Participation Fund	15,392,203	5,751,175
	24,497,107	12,432,450

37 FINANCIAL CHARGES

	2013 Rupees	2012 Rupees
Mark-up / interest on:		
Long-term financing	35,006,093	45,791,480
Lease finances	4,888,194	5,008,524
Short-term financing	21,241,914	35,219,305
Workers' Profit Participation Fund	413,484	692,978
	61,549,685	86,712,287
Bank charges and commission	-	1,868,127
LC discounting charges	9,285,302	8,472,264
	70,834,987	97,052,678

	Note	2013 Rupees	2012 Rupees

38 TAXATION

	Note	2013 Rupees	2012 Rupees
Current		4,587,828	1,372,770
Prior		-	(2,315,082)
		4,587,828	(942,312)
Deferred		36,834,266	35,948,751
	38.1	41,422,094	35,006,439

38.1 The numer ical reconciliation between average tax rate and the applicable tax rate is as follows:

	2013 Rupees	2012 Rupees
Profit before taxation	285,022,968	-
Tax at the applicable tax rate	99,758,039	-
Tax effect of expenses not allowed for tax	25,030,460	-
Tax effect of expenses allowed for tax	(50,561,098)	-
Tax effect of FTR income	1,195,735	-
Effect of tax credits and adjustments	(34,001,042)	-
	41,422,094	-

In prior year, numerical reconciliation is not presented as the Company was subject to turnover tax.

39 EARNINGS PER SHARE - BASIC AND DILUTED

	2013 Rupees	2012 Rupees
Profit for the year	243,600,874	73,660,287
Weighted average number of ordinary shares outstanding	12,417,876	12,417,876
Earnings per share - basic and diluted	19.62	5.93

40 DEFINED CONTRIBUTION PLAN

The Company has contributory provident fund scheme for benefit of all its permanent employees under the title of "Crescent Fibres Limited - Employees Provident Fund". The Fund is maintained by the Trustees and all decisions regarding investments and distribution of income etc. are made by the Trustees independent of the Company.

40.1 The Trustees have intimated that the size of the Fund at year end was Rs. 72.446 million.

40.2 As intimated by the Trustees, the cost of the investments made at year end was Rs. 43.367 million which is equal of 59.86% of the total fund size. The fair value of the investments was Rs. 43.727 million at that date which is equal of 60.36% of the total fund size. The category wise break up of investment as per section 277 of the Companies Ordinance, 1984 is given below:

	Rupees	Percentage
Defense Saving Certificates	15,055,500	20.78%
Term deposit	27,700,000	38.24%
Listed securities (Mutual fund)	971,401	1.34%
	43,726,901	60.36%

40.3 According to the Trustees, investments out of provident fund have been made in accordance with the provisions of section 227 of Companies Ordinance, 1984 and the rules made thereunder.

41 CASH GENERATED FROM OPERATIONS

	Note	2013 Rupees	2012 Rupees
Profit before taxation		285,022,968	108,666,726
Adjustment for non-cash charges and other items:			
Gain on disposal of operating fixed assets		(2,591,896)	(1,445,862)
Financial charges		70,834,987	97,052,678
Depreciation		66,512,279	67,125,058
Amortization		386,220	386,220
Unrealized gain on remeasurement of investments		(1,202,852)	-
Impairment of available for sale investments		-	5,638,673
Gain on share of profit of associate		(39,904)	(5,827)
		133,898,834	168,750,940
Profit before working capital changes		418,921,802	277,417,666
Working capital changes	41.1	(7,701,754)	62,455,884
		411,220,048	339,873,550

41.1 Working capital changes

	2013 Rupees	2012 Rupees
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(2,744,785)	3,671,559
Stock in trade	(14,352,959)	3,791,459
Trade debts	(46,330,503)	43,869,486
Loans and advances	(2,602,252)	(1,053,462)
Trade deposits and short term prepayments	209,563	(158,210)
Other receivables	184,679	4,192,284
Tax refund due from the Government	(7,365,024)	(1,458,164)
	(73,001,281)	52,854,952
Increase in current liabilities		
Trade and other payables	65,299,527	9,600,932
	(7,701,754)	62,455,884

42 REMUNERATION OF CHIEF EXECUTIVE DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits to Chief Executive, Directors and Executives of the Company were as follows:

	2013				2012			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	Rupees				Rupees			
Managerial remuneration	2,686,208	6,330,268	4,838,616	13,855,092	2,151,720	6,592,800	4,264,399	13,008,919
House rent	1,208,794	2,848,621	2,068,883	6,126,297	968,274	2,966,760	1,825,415	5,760,449
Company's contribution to Provident Fund Trust	268,621	633,027	483,862	1,385,509	215,172	659,280	426,440	1,300,892
Reimburseable expenses	439,829	1,358,760	216,953	2,015,542	395,488	1,165,800	178,500	1,739,788
Total	4,603,451	11,170,675	7,608,314	23,382,440	3,730,654	11,384,640	6,694,754	21,810,048
Number of persons	1	4	4	9	1	4	4	9

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

42.1 The Chief Executive, three Directors and some executives are also provided with free use of the Company's maintained cars.

42.2 Aggregate amount charged in these financial statements in respect of Directors fee is Rs. 45,000 (2012: Rs. 45,000).

43 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of related group companies, local associated companies, staff retirement funds, Directors and key management personnel. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Relation with the Company	Nature of transaction	2013 Rupees	2012 Rupees
Associated companies / undertaking	Sale of yarn	192,643,158	144,446,600
	Insurance premium	9,650,570	8,821,130
	Insurance claim received	-	-
	Dividend received	84,477	84,475
	Rent received	197,113	165,240
	Donation paid	110,000	-
Retirement benefit plan	Contribution to provident fund	7,573,470	5,896,643

Relation with the Company	Nature of transaction	2013 Rupees	2012 Rupees
Directors	Rent paid	2,680,000	-
	Repayment of long term financing	13,674,714	-
	Dividend paid	5,781,808	-
Key management personnel	Remuneration and other benefits	23,382,440	21,810,048

43.1 The status of outstanding balances of related parties as at June 30, 2013 are included in "Trade debts" (note 12), "Other receivables" (note 15) and "Trade and other payables" (note 25) respectively.

44 CAPACITY AND PRODUCTION

Spinning units	2013			2012		
	Unit - I	Unit - II	Total	Unit - I	Unit - II	Total
Number of spindles installed	20,360	35,456	55,816	20,360	35,456	55,816
Number of spindles worked	18,702	30,524	49,226	20,360	35,456	55,816
Number of shifts per day	3	3	3	3	3	3
Installed capacity after conversion into 20/s count - Kgs	7,887,815	13,723,868	21,611,683	7,887,815	13,723,868	21,611,683
Actual production of yarn after conversion into 20/s count - Kgs	7,444,477	9,947,422	17,391,899	6,807,784	10,166,223	16,974,007

45 YIELD / MARK UP RATE RISK

Yield / mark-up rate risk is the risk that the value of the financial instruments will fluctuate due to changes in the market yield / mark-up rates. Sensitivity to yield / mark-up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is exposed to yield / mark-up rate risk in respect of the following:

	Effective yield / mark-up rate	Total	Exposed to yield / mark-up rate risk: Maturity upto one year	Maturity over one year to five years	Maturity over five years	Sub- total	Not exposed to yield / mark-up rate risk
2013							
Financial assets	%	Rupees					
Available for sale carried at fair value							
Investments		63,799,733	-	-	-	-	63,799,733
Held for trading carried at fair value							
Investments		45,202,852	-	-	-	-	45,202,852
Held to maturity carried at amortized cost							
Investments	9.70% to 10%	1,200,000	1,200,000	-	-	1,200,000	-
Loans and receivables carried at amortized cost							
Loans	-	10,000	-	-	-	-	10,000
Trade debts	-	291,906,713	-	-	-	-	291,906,713
Other receivables	-	614,351	-	-	-	-	614,351
Cash and bank balances	-	70,998,501	9,253,803	-	-	9,253,803	61,744,698
		473,732,150	10,453,803	-	-	10,453,803	463,278,347
Financial liabilities							
Financial liabilities carried at amortized cost							
Long-term financing	11.20% - 14.45%	288,405,716	85,100,793	203,304,923	-	288,405,716	-
Liabilities against assets subject to finance leases	16.63% - 19.45%	48,485,223	23,647,844	24,837,379	-	48,485,223	-
Trade and other payables	-	261,383,572	-	-	-	-	261,383,572
Interest and markup accrued	-	30,196,771	-	-	-	-	30,196,771
Short-term financing	8% - 16.31%	86,361,209	86,361,209	-	-	86,361,209	-
		(714,832,491)	(195,109,846)	(228,142,302)	-	(423,252,148)	(291,580,343)
On balance sheet gap		(241,100,341)	(184,656,043)	(228,142,302)	-	(412,798,345)	171,698,004
Off balance sheet items							
Guarantees on behalf of the Company		28,077,000	-	-	-	-	28,077,000
Letter of credit for consumption		-	-	-	-	-	-
Construction obligation		-	-	-	-	-	-
Letter of credit for capital expenditure		9,604,000	-	-	-	-	9,604,000
		37,681,000	-	-	-	-	37,681,000
Total gap		(278,781,341)	(184,656,043)	(228,142,302)	-	(412,798,345)	134,017,004

	Effective yield / mark-up rate	Total	Exposed to yield / mark-up rate risk: Maturity upto one year	Maturity over one year to five years	Maturity over five years	Sub- total	Not exposed to yield / mark-up rate risk
2012							
Financial assets	%	Rupees					
Available for sale carried at fair value							
Investments		41,796,516	-	-	-	-	41,796,516
Held for trading carried at fair value							
Investments		-	-	-	-	-	-
Held to maturity carried at amortized cost							
Investments	10% to 10.5%	1,200,000	1,200,000	-	-	1,200,000	-
Loans and receivables carried at amortized cost							
Loans		31,000					31,000
Trade debts	-	246,765,232	-	-	-	-	246,765,232
Other receivables	-	799,030	-	-	-	-	799,030
Cash and bank balances	-	68,296,751	67,698,140	-	-	67,698,140	598,611
		358,888,529	68,898,140	-	-	68,898,140	289,990,389
Financial liabilities							
Financial liabilities carried at amortized cost							
Long-term financing	11.20% - 14.45%	320,004,714	71,975,952	234,354,048	-	306,330,000	13,674,714
Liabilities against assets subject to finance leases	16.63% - 19.01%	40,752,482	17,222,903	23,529,579	-	40,752,482	-
Trade and other payables	-	204,349,220	-	-	-	-	204,349,220
Financial charges payable		33,070,905	-	-	-	-	33,070,905
Short-term financing	8% - 16.31%	141,476,328	141,476,328	-	-	141,476,328	-
		(739,653,649)	(230,675,183)	(257,883,627)	-	(488,558,810)	(251,094,839)
On balance sheet gap		(380,765,120)	(161,777,043)	(257,883,627)	-	(419,660,670)	38,895,550
Off balance sheet items							
Guarantee issued on behalf of Company		31,000,000	-	-	-	-	31,000,000
Letter of credit for consumption		8,297,000	-	-	-	-	8,297,000
Construction obligation		-	-	-	-	-	-
Letter of credit for capital expenditure		19,437,000	-	-	-	-	19,437,000
		58,734,000	-	-	-	-	58,734,000
Total gap		(439,499,120)	(161,777,043)	(257,883,627)	-	(419,660,670)	(19,838,450)

46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

46.1 Risk management policies

The Company's operations expose it to financial risk mainly due to changes in foreign exchange rates. Risk management is carried out by the management under polices approved by Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas like foreign exchange risk, interest rate risk and investing excessive liquidity.

46.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from trade and other receivables. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulator requirements.

Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. The carrying amounts of financial assets exposed to credit risk at reporting date are as under:

	2013 Rupees	2012 Rupees
Investments	112,629,344	45,467,848
Trade debts	291,906,713	246,765,232
Loans	10,000	31,000
Other receivables	614,351	799,030
Bank balances	70,080,006	67,698,140
	475,240,414	360,761,250

The aging of trade receivables at the reporting date is:

Not past due	225,794,982	227,245,120
Past due 1-30 days	56,083,998	12,307,320
Past due 30-90 days	6,524,087	4,990,092
Past due 90 days	3,503,646	2,222,701
	291,906,713	246,765,232

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary sales made to certain customers are secured through letters of credit.

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. Rating of banks ranges from A-3 to A1+.

Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Impaired assets

During the year, no assets have been impaired other than store, spares and loose tools amounting to Rs. 39.609 million and investments amounting to Rs. 110.202 million against which impairment amounting to Rs. 0.992 (2012: Rs. 0.549 million) and nil (2012: Rs. 5.639 million) respectively has been recorded.

46.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any:

	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
				Rupees			
2013							
Long term financing	288,405,716	288,405,709	43,939,286	43,939,286	87,878,572	112,648,565	-
Liabilities against assets subject to finance leases	48,485,223	36,855,798	9,248,723	9,248,723	18,358,352	-	-
Trade and other payables	261,383,572	261,383,572	261,383,572	-	-	-	-
Interest and markup accrued	30,196,771	30,196,771	30,196,771	-	-	-	-
Short-term financing	86,361,209	86,361,209	86,361,209	-	-	-	-
	714,832,491	703,203,059	431,129,561	53,188,009	106,236,924	112,648,565	-

	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
				Rupees			
2012							
Long term financing	320,004,714	419,457,020	49,198,557	63,552,474	107,062,030	185,969,246	13,674,714
Liabilities against assets subject to finance leases	40,752,482	36,855,798	9,248,723	9,248,723	18,358,352	-	-
Trade and other payables	204,349,220	204,349,220	204,349,220	-	-	-	-
Financial charges payable	33,070,905	33,070,905	33,070,905	-	-	-	-
Short-term financing	141,476,328	141,476,328	141,476,328	-	-	-	-
	739,653,649	835,209,271	437,343,733	72,801,197	125,420,382	185,969,246	13,674,714

46.4 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holding of financial instruments.

a) Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company exposure to foreign currency risk as follows:

	2013 Rupees	2012 Rupees
Outstanding letter of credit	9,604,000	27,735,000

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loans and short term borrowings. At the balance sheet date the interest rate profile of the Company's interest -bearing financial instruments is as follows:

Financial liabilities	2013 Effective rate (In percent)	2012 Effective rate (In percent)	2013 Carrying amount Rupees	2012 Carrying amount Rupees
Fixed rate instrument				
Long term finance	11.20%	11.20%	32,413,333	36,465,000
Short term borrowings	8%	8%	12,000,000	12,000,000
Variable rate instruments				
Long term finance	12.07%-16.30%	14.45%-16.30%	255,992,383	269,865,000
Short term borrowings	15.23%-19.05%	16.63%-19.45%	74,361,209	129,476,328

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for prior year.

	Profit and loss	
	100 bp increase	100 bp decrease
As at June 30, 2013		
Cash flow sensitivity - Fixed rate financial liabilities	(444,133)	444,133
Cash flow sensitivity - Variable rate financial liabilities	(3,303,536)	3,303,536
As at June 30, 2012		
Cash flow sensitivity - Fixed rate financial liabilities	(484,650)	484,650
Cash flow sensitivity - Variable rate financial liabilities	(3,993,413)	3,993,413

The sensitivity analysis prepared is not necessarily indicative of the effects on (loss) / profit for the year and assets / liabilities of the Company.

c) Market risk

Market price risk

The risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Exposure

The Company has exposure to market price risk in available for sale securities.

Risk management

The Company's policy is to manage price risk through diversification and selection of financial instruments within specified limits.

	2013 Rupees	2012 Rupees
As at June 30, 2013, the fair value of equity securities exposed to price risk were as follows:		
Held for trading investment	45,202,852	-
Available for sale investment	63,799,733	41,796,516
	109,002,585	41,796,516

The following analysis illustrates the sensitivity of the profit for the year and the share holders' equity to an increase or decrease of 5% in the fair values of the Company's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equity securities at each statement of assets and liabilities date, with all other variables held constant.

	2013 Rupees	2012 Rupees
Price sensitivity	5,450,129	2,089,826

47 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

48 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

49 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 02, 2013 by the Board of Directors of the Company.

50 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison, the effect of which is not material.

51 GENERAL

Figures have been rounded off to the nearest rupee.

IMRAN MAQBOOL
CHIEF EXECUTIVE

NADEEM MAQBOOL
DIRECTOR

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2013

FORM-34

SHAREHOLDERS	FROM	TO	TOTAL SHARES	PERCENTAGE
665	1	100	21,899	0.18
460	101	500	106,060	0.85
114	501	1,000	79,302	0.64
156	1,001	5,000	330,254	2.66
37	5,001	10,000	265,901	2.14
16	10,001	15,000	199,617	1.61
11	15,001	20,000	184,699	1.49
6	20,001	25,000	132,762	1.07
7	25,001	30,000	199,610	1.61
6	30,001	35,000	192,340	1.55
5	35,001	40,000	182,258	1.47
5	40,001	45,000	213,557	1.72
2	45,001	50,000	91,170	0.73
2	50,001	55,000	104,726	0.84
3	55,001	60,000	171,606	1.38
3	65,001	70,000	204,285	1.65
2	70,001	75,000	145,620	1.17
2	75,001	80,000	157,277	1.27
1	140,001	145,000	143,217	1.15
1	150,001	155,000	153,580	1.24
1	255,001	260,000	258,558	2.08
1	350,001	355,000	351,657	2.83
1	505,001	510,000	509,026	4.10
1	630,001	635,000	633,015	5.10
1	760,001	765,000	760,600	6.13
1	850,001	855,000	852,681	6.87
1	1,290,001	1,295,000	1,292,400	10.41
1	1,305,001	1,310,000	1,306,831	10.52
1	1,335,001	1,340,000	1,336,875	10.77
1	1,835,001	1,840,000	1,836,493	14.79
1,514			**12,417,876**	**100**

Categories of Shareholder		
Directors, Chief Executive Officer, Their Spouse and Childern		
Chief Executive		
IMRAN MAQBOOL	1,336,875	10.77
Directors		
HUMAYUN MAQBOOL	1,292,400	10.41
KHAWAR MAQBOOL	1,836,493	14.79
NADEEM MAQBOOL	1,306,831	10.52
NAILA HUMAYUN MAQBOOL	500	0.00
RIAZ MASOOD	258,558	2.08
SHAHID RIAZ MASOOD	10,151	0.08
JAHANZEB SAEED KHAN	500	0.00
ASMA ANWAR W/O. IMRAN MAQBOOL	6,501	0.05
NAZIA MAQBOOL W/O. NADEEM MAQBOOL	3,399	0.03
SHAHEEN RIAZ W/O. RIAZ MASOOD	45,941	0.37
	6,098,149	**49.11**
Associated Companies, Undertakings & Related Parties		
CRESCENT POWER TEC LIMITED	27,825	0.22
SHAMS TEXTILE MILLS LIMITED	31,920	0.26
	59,745	**0.48**
NIT & ICP (Name Wise Detail)		
INVESTMENT CORPORATION OF PAKISTAN	5,667	0.05
Banks, DFI's, NBFI's		
Banks, DFI's, NBFI's	1,064,536	8.57
Insurance Companies		
Insurance Companies	1,102	0.01
Modaraba and Mutual Funds		
Modaraba and Mutual Funds	21,871	0.18
Other Companies		
Other Companies	634,591	5.11
General Public		
Local	4,532,215	36.50
TOTAL NUMBER OF SHARES	**12,417,876**	**100**
Shareholders More Than 5%		
KHAWAR MAQBOOL	1,836,493	14.79
IMRAN MAQBOOL	1,336,875	10.77
NADEEM MAQBOOL	1,306,831	10.52
HUMAYUN MAQBOOL	1,292,400	10.41
NATIONAL BANK OF PAKISTAN-TRUSTEE DEPARTMENT NI(U)T FUND	852,681	6.87
UMER SHARIF	760,600	6.13
BASHIR AHMAD	633,015	5.10

Crescent Fibres

FORM OF PROXY

CDC Participant ID #	Sub Account # / Folio #	NIC No.	Share Holding

I/We ____

of ____

being a member of **CRESCENT FIBRES LIMITED**, hereby appoint______________________

____ or

failing him____(being a member of the Company) as my/our proxy to attend, act and vote for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on Thursday the 31st October, 2013 at 9.30 a.m. at Registered office of the Company 104 -Shadman-1, Lahore and at any adjournment thereof.

Witnesses:

1. Signature: ____________________
   Name : ____________________
   N.I.C. : ____________________
   Address: ____________________
   ____

2. Signature: ____________________
   Name : ____________________
   N.I.C. : ____________________
   Address: ____________________
   ____

Please affix here
Revenue
Stamps of Rs. 5/-

____
Members' Signature

Date:

Notes:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instruments appointing a proxy, together with the power of attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office, 104 -Shadman-1, Lahore, not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular # 1 dated January 26, 2000 of the Securities & Exchange Commission of Pakistan for appointing Proxies:

i) In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
ii) The proxy form shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
iii) Attested copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
iv) The proxy shall produce his original NIC or original passport at the time of the meeting.
v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the company.

Crescent
Fibres

CRESCENT FIBRES LIMITED
104-Shadman 1, Lahore - 54000
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Fax: +92 (42) 3756-0963
Email: lo@crescentfibres.com
Website: www.crescentfibres.com