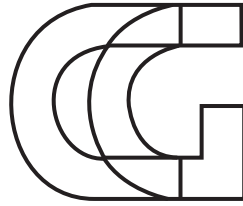


CRESCENT GROUP



ANNUAL REPORT
2017



CRESCENT JUTE PRODUCTS LIMITED

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Abida Mazhar	Chairperson - Non-Executive Director
Mr. Humayun Mazhar	Chief Executive Officer - Executive Director
(In alphabetic order)	
Mrs. Ayesha Khurram Mazhar	Non-Executive Director
Mr. Khurram Mazhar Karim	Non-Executive Director
Mrs. Mehreen Humayun Mazhar	Non-Executive Director
Mr. Saif Ullah	Executive Director
Syed Raza Abbas Jaffery	Nominee NIT - Independent Director

AUDIT COMMITTEE

Mr. Khurram Mazhar Karim	Chairman - Non-Executive Director
Mrs. Mehreen Humayun Mazhar	Member - Non-Executive Director
Syed Raza Abbas Jaffery	Member - Nominee NIT - Independent Director

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Khurram Mazhar Karim	Chairman - Non-Executive Director
Syed Raza Abbas Jaffery	Member - Nominee NIT - Independent Director
Mr. Saif Ullah	Member - Executive Director

CHIEF FINANCIAL OFFICER

Mr. Saif Ullah

COMPANY SECRETARY

Mr. Shafiq Anwar

HEAD OF INTERNAL AUDIT

Mr. Tahir Hussain

AUDITORS

M/s Riaz Ahmad & Company
Chartered Accountants Faisalabad
Name of Engagement Partner: Mubashar Mehmood

LEGAL ADVISOR

Mr. Shahid Mahmood Baig
Advocate High Court

BANKERS

The Bank of Punjab
Crescent Standard Modaraba
MCB Bank Limited
Bank Alfalah Limited (Islamic Banking)
United Bank Limited
National Bank of Pakistan
Dubai Islamic Bank

REGISTERED OFFICE

1st Floor, 65-XX, Khayaban-e-Iqbal Road,
Phase - III, DHA, Lahore - 54792, Pakistan.
Tel: + 92-42-37186438-9

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given to all the shareholders of Crescent Jute Products Limited (the "Company") that Annual General Meeting of the Company will be held on Friday, October 27, 2017 at 11.00 a.m. at 503-E, Johar Town, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' and Auditors' reports and Audited Accounts for the year ended June 30, 2017.
2. To appoint auditors and fix their remuneration.
3. Updating on approval obtained for sale of Company's entire assets.

REGISTERED OFFICE:

1st Floor, 65-XX, Khayaban-e-Iqbal Road,
Phase-III, DHA, Lahore,
Telephone No. (042) 37186438-39,

BY ORDER OF THE BOARD

SHAFIQ ANWAR
Company Secretary

Dated: September 27, 2017.

Notes:

1. The Members' Register will remain closed from October 21, 2017 to October 27, 2017 (both days inclusive). Transfers received at the Registered Office of the Company by the close of business on October 20, 2017.
2. A member eligible to attend and vote at this Meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received by the Company Registered Office not later than 48 hours before the time for holding the Meeting.
3. CDC account holders will further have to follow the guidelines as laid down in circular No.1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
 - a. For attending the meeting
 - 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 authenticate his/her identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
 - ii) In case of corporate entity, the Board of directors' resolution/power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

- b. 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 CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his original CNIC or original passport at the time of the Meeting.
 - v) In case of corporate entity, the Board of directors' resolution/power of attorney with specimen signatures shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Updating of Status of Sale of Assets

The shareholders had given their approval in their meeting held on October 31, 2011 for disposal of entire assets of the Company. The Company had sold all assets as per schedule mentioned below in line with shareholders approval and received all amounts except final payment of land which be due on December 24, 2017

(Rs. In Million)

Particulars	Sale Amount	Date	Sale Proceeds	Balance
Plant & Machinery	120.000	April 03, 2012	237.000	Nil
Building (Factory)	30.000	July 17, 2014	40.000	Nil
Store, spares and loose tools	5.000	July 17, 2014	2.271	Nil
Land	170.000	September 25, 2012	220.000	66.666

Company management managed to sell the Land, Building and Plant and Machinery for Rs. 174 million more than the sale price approved by the shareholders. Company have paid/settled its borrowing and other liabilities as briefed to the shareholders while taking approval. The litigation with Bank of Punjab, Innovative Investment Bank Limited and Crescent Standard Modaraba are pending in courts and the Company is expecting positive results in this regard.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Accounts for the year ended June 30, 2017 show a loss of Rupees 63.75 million, as compared to loss of Rupees 46.87 million in the corresponding period in 2016. The loss is attributed mainly due to provision created against the income tax and sales tax advance refundable, borrowing cost and the cost of the minimum staff required for managing the corporate affairs and safe guarding the remaining assets of the Company. The management is in the process of implementing the closure plan approved by the BOD and shareholders.

However, there has been significant delay in implementation of the above said plan. There were two parts of this plan i.e. Disposal of Assets and Future Business plan. As far as the Disposal Of Assets is concerned, significant progress has been made in this regard i.e. not only majority of payments against disposal of fixed assets have been realized, except the last installment against sale of land amounting to Rs. 66.666 million due in December, 2017, but these assets have also been disposed off at a significantly higher value than the amount approved by the Shareholders.

As far as the Future Business Plan is concerned it was contingent upon settlement of liabilities with financial institutions and any surplus realized thereof. In this regard the progress has been very slow as we are still under litigation with the concerned financial institutions. This inordinate delay in settlement of liabilities has not only resulted in non- implementation of the business plan but has also resulted in additional operational costs without any business activity. Although, our Legal advisors are fairly optimistic on a favorable outcome in all pending cases the timelines for the same are very difficult to predict. In view of the same, the implementation of any future business plan will be explored on realization of any surplus of funds, after full and final settlement all outstanding liabilities with the financial institutions.

In the meanwhile, we remain focused on cost controls and every possible effort is being made to curtail and keep the expenses to a minimum level.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

1. These financial statements prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
2. Proper books of accounts of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Accounting Standards, as applicable in Pakistan have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.

KEY OPERATING AND FINANCIAL DATA

Key operating and financial data of the Company for the last six years in summarized form is annexed.

DIVIDEND

Due to continued losses it was not possible for the Company to declare and pay any dividend to its shareholders.

STATUTORY PAYMENTS

No statutory payments on account of taxes, duties, levies and charges other than those under appeals are outstanding

SIGNIFICANT PLANS AND DECISIONS

Mills operation has been stopped since May 02, 2011 due to lack of liquidity as approved by shareholders in annual general meeting held on October 31, 2011 and decided to dispose off property, plant and equipment of the Company to pay off liabilities.

CHANGES IN THE BOARD OF DIRECTORS

Company has fixed seven Directors on its Board. New board elected during the year is as under:-

S.No.	Name of Director	
1.	Mrs. Abida Mazhar	Non-Executive Director Chairperson
2.	Mrs. Ayesha Khurram Mazhar	Non-Executive Director
3.	Mr. Humayun Mazhar	Chief Executive Officer Executive Director
4.	Mr. Khurram Mazhar Karim	Non-Executive Director
5.	Mrs. Mehreen Humayun	Non-Executive Director
6.	Syed Raza Abbas Jaffery	(Nominee NIT) Independent Director
7.	Mr. Saif Ullah	Executive Director

The term of office of present Board will be expired on March 25, 2020.

BOARD MEETINGS AND ATTENDANCE BY DIRECTORS

During the year, four meetings of the Board of Directors were held. Attendance by each director was as follows:

	Names of Directors in alphabetic order	Meetings held in their tenure.	No. of Meetings attended
1.	Mrs. Abida Mazhar	4	1
2.	Mrs. Ayesha Khurram Mazhar	4	1
3.	Mr. Humayun Mazhar	4	4
4.	Mr. Khurram Mazhar Karim	4	4
5.	Mrs. Mehreen Humayun Mazhar	4	1
6.	Syed Raza Abbas Jaffery	4	4
7.	Mr. Saif Ullah	4	4

The Board granted Leave to Directors who could not attend some of the Board Meetings.

PATTERN OF SHAREHOLDING

Pattern of Shareholding is attached to the report.

TRADES IN THE SHARES OF THE COMPANY

The Directors, CFO, Company Secretary and their spouses and minor children did not carry out any transaction in the shares of the Company during the year.

DEFAULT IN DEBTS, IF ANY

Negotiations are underway to settle bank liabilities, so far no terms of settlement have been finalized.

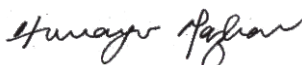
AUDITORS

The auditors M/s Riaz Ahmed & Company Chartered Accountants retire and being eligible offers for re-appointment. As required by Code of Corporate Governance, the Audit Committee has recommended appointment of M/s Riaz Ahmed & Company, Chartered Accountants as auditors of the Company for ensuing year.

ACKNOWLEDGEMENT

The directors thank the Shareholders, Bankers and Customers for their continued patronage, understanding and co-operation. We also assure them that the confidence and the trust they have reposed in Cres Jute is appreciated and we will endeavor to come up to their expectations.

For and on behalf of the Board



(Humayun Mazhar)
Chief Executive Officer
Lahore

Dated: September 27, 2017

KEY OPERATING AND FINANCIAL DATA OF LAST SIX YEARS

YEAR ENDING 30th JUNE

2016	2015	2014	2013	2012	2011
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PRODUCTION CAPACITY BASED ON SHIFT WORKING IN METRIC TONS

Jute Unit	Operation closed	Operation closed	Operation closed	Operation closed	23,000	23,000
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ACTUAL PRODUCTION IN METRIC TONS

Jute Unit	Operation closed	Operation closed	Operation closed	Operation closed	Operation closed	3,675
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OPERATING RESULTS - RUPEES IN (000)

Net Sales	-	3,865	21,618	18,677	28,640	453,768
Cost of Sales	-	4,516	21,482	39,023	127,321	524,173
Operating Expenses	29,052	27,339	28,886	47,927	61,612	82,701
Other Income	(1,803)	(15,595)	(215,693)	(25,598)	(3,874)	(111,655)
Financial Charges	19,618	19,819	20,798	23,925	40,174	55,081
Taxation	3	(8,361)	1,110	(2,906)	(5,135)	(11,714)
Net Income / (Loss)	(46,871)	(23,853)	165,035	(63,693)	(191,458)	(84,818)
Earning per share - Rupees	(1.97)	(1.00)	6.94	(2.68)	(8.06)	(3.57)
Break up value of share	(13.47)	(11.50)	0.00	(0.00)	(0.00)	(0.00)
Price earning ratio (in time)	(0.00)	(0.00)	0.00	(0.00)	(0.00)	(0.00)

FINANCIAL POSITION - RUPEES IN (000)

Shareholders Equity	(320,037)	(273,165)	(266,229)	(434,351)	(376,394)	(194,639)
Net Surplus on estimated realizable / settlement values	207,913	193,779	207,017	286,305	294,997	666,034
Trade and other payables	94,268	28,962	9,311	53,054	13,379	17,973
Accrued mark-up	160,896	141,421	121,716	100,976	82,764	59,633
Borrowings	257,180	254,915	301,120	352,376	386,629	469,878
Provision for taxation	3	2	2,635	49	90	412
TOTAL	400,223	345,915	375,570	358,409	401,464	1,019,292
Cash and bank balances	43,248	1,827	8,262	6,922	4,137	7,722
Investments	1,473	1,583	1,309	1,463	749	1,659
Other receivables	5,790	5,691	6,867	5,691	7,927	10,234
Prepayments	23	15	-	28	149	372
Loans and advances	17,132	17,140	19,410	16,378	16,498	17,398
Trade debts	-	-	506	618	-	116,059
Stock-in-trade	-	-	3,612	14,822	47,410	148,795
Stores and spare parts	-	-	1,405	2,918	3,658	8,252
Long Term Security deposits	120,037	120,538	120,538	992	992	14,674
Property, plant and equipment	212,520	199,121	213,660	308,576	319,945	694,126
TOTAL	400,223	345,915	375,570	358,409	401,464	1,019,292

Crescent Jute Products Limited

As On: June 30, 2017

Categories of Shareholders	Physical	CDC	Total	% age
Directors, Chief Executive Officer, Their Spouses and Minor Children				
Chief Executive				
Mr. Humayun Mazhar	3,848,013	-	3,848,013	16.19
Directors				
Mr. Khurram Mazhar Karim	3,860,500	-	3,860,500	16.25
Mr. Saif Ullah	2,500	-	2,500	0.01
Mrs. Abida Mazhar	373,925	-	373,925	1.57
Mrs. Ayesha Khurram Mazhar	2,475	-	2,475	0.01
Mrs. Mehreen Humayun Mazhar	47,474	-	47,474	0.20
	8,134,887	-	8,134,887	34.23
Associated Companies, Undertakings & Related Parties				
Crescent Cotton Mills Limited	-	201,933	201,933	0.85
Crescent Group (Pvt) Limited	79	-	79	0.00
Crescent Powertec Limited	80,000	-	80,000	0.34
Premier Insurance Co. of Pak. Ltd.	7,000	-	7,000	0.03
Shams Textile Mills Limited	12,476	-	12,476	0.05
The Crescent Textile Mills Limited	8,671	2,738,487	2,747,158	11.56
	108,226	2,940,420	3,048,646	12.83
NIT & ICP (Name Wise Detail)				
CDC - Trustees National Investment (Unit) Trust	-	1,386,218	1,386,218	5.83
National Bank of Pakistan - Trustee Wing	400	-	400	0.00
	400	1,386,218	1,386,618	5.84
Banks, NBFCs, DFIs, Takaful, Pension Funds				
	972,289	136,949	1,109,238	4.67
Modarabas				
	46,453	-	46,453	0.20
Insurance Companies				
	232,163	157,314	389,477	1.64
Other Companies, Corporate Bodies, Trust etc.				
	1,862,392	210,715	2,073,107	8.72
General Public				
	2,264,371	5,310,671	7,575,042	31.88
	13,621,181	10,142,287	23,763,468	100.00
Shareholders More Than 5.00%				
Khurram Mazhar Karim			3,860,500	16.25
Humayun Mazhar			3,848,013	16.19
The Crescent Textile Mills Limited			2,747,158	11.56
Jubilee Spinning & Weaving Mills Limited			1,716,683	7.22
CDC-Trustee National Investment (unit) Trust			1,386,218	5.83

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No. 5.19.24 of Rule Book of Pakistan Stock Exchange Limited (PSX) 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 principles contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors (The Board). At present the Board includes:

Independent Director

- i) Syed Raza Abbas Jaffery

Executive Directors

- i) Mr. Humayun Mazhar
- ii) Mr. Saif Ullah

Non-Executive Directors

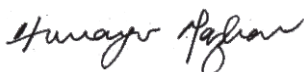
- i) Mrs. Abida Mazhar
- ii) Mr. Khurram Mazhar Karim
- iii) Mrs. Mehreen Humayun Mazhar
- iv) Mrs. Ayesha Khurram Mazhar

The independent director meets the criteria of independence under clause 5.19.1 (b) of the CCG.

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 Directors of the Company are registered as tax payers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBF, or being a Broker of a Stock Exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred on the Board during the year ended 30 June 2017.
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 Chief Executive Officer and other executive and non-executive directors, have been taken by the Board / shareholders.
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 the Board met at least once in every quarter during the year ended 30 June 2017. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The Directors of the Company are adequately trained to perform their duties, and are aware of their powers and responsibilities under the Companies Act, 2017 and the Rule Book of PSX.
10. The Board has approved the appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment. However, no new appointment was made during the year.
11. The Directors' Report for this year has been prepared in compliance with the requirements of the CCG and it fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The Directors, CEO and Executive 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 of three members, of whom two are non-executive directors and one is 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 a Human Resource and Remuneration Committee. It comprises of 3 members, of whom two are non-executive directors and the Chairman 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 programme of the Institute of Chartered Accountants of Pakistan (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 or 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 company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

By order of the Board



Humayun Mazhar
Chief Executive Officer

Date: September 27, 2017

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

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance ("the Code") prepared by the Board of Directors of CRESCENT JUTE PRODUCTS LIMITED ("the Company") for the year ended 30 June 2017 to comply with the requirements of Clause 5.19.24 (b) of the Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code 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 and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company personnel and reviews of various documents prepared by the Company to comply with the Code.

As a 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 are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its 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 and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of 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 as applicable to the Company for the year ended 30 June 2017.



RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Mubashar Mehmood

Faisalabad: September 27, 2017

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **CRESCENT JUTE PRODUCTS LIMITED** ("the Company") as at 30 June 2017 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 repealed 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 the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the repealed 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 repealed Companies Ordinance, 1984, and are in agreement with the books of account 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) 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 repealed 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 30 June 2017 and of the loss, its comprehensive loss, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

We draw attention to the following matters:

- 1) Note 1.1 to the financial statements, which states that the Company is no longer a going concern, therefore, these financial statements have been prepared on the basis of estimated realizable / settlement values of assets and liabilities respectively. Estimated realizable / settlement values are based on the management's best estimate. Estimation involves judgements based on the latest available, reliable information, historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In future, these estimates may need revision if changes occur in the circumstances on which the estimates are based or as a result of new information. Hence, the ultimate values at which assets will be realized and liabilities will be settled may be different from those carried in these financial statements.
- 2) Based on advice of the legal counsel, the Company has not recognized excess amounts of principal and markup confirmed by the bank against borrowing (Note 7.1 to these financial statements).
- 3) Note 15 to the financial statements, which fully explains the reasons for non-transfer of ownership of proportionate freehold land to the buyer by the Company. Ownership of land having carrying value of Rupees 181.886 million presented as non-current asset held for sale (Note 15 to these financial statements) will be transferred to the buyer after receipt of remaining single installment of Rupees 66.666 million, which will be due on 24 December 2017.

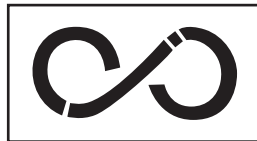
Our report is not qualified in respect of above matters



RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Mubashar Mehmood

Faisalabad : September 27, 2017



**CRESCENT JUTE
PRODUCTS LTD.**

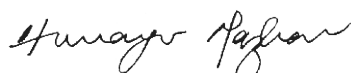
CRESCENT JUTE PRODUCTS LTD.

**Audited Financial Statements
For the Year Ended June 30, 2017**

BALANCE SHEET

	NOTE	2017 RUPEES	2016 RUPEES Restated
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
30 000 000 (2016: 30 000 000) ordinary shares of Rupees 10 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid up share capital	3	237,634,680	237,634,680
Capital reserve	4	35,767,584	35,767,584
Accumulated loss		(657,188,079)	(593,438,901)
Total equity		<u>(383,785,815)</u>	<u>(320,036,637)</u>
Surplus on revaluation of freehold land	5	181,783,274	181,783,274
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	160,852,089	94,268,854
Accrued mark-up		153,297,481	160,896,099
Borrowings	7	211,406,745	257,180,226
Provision for taxation		2,702	3,743
TOTAL LIABILITIES		525,559,017	512,348,922
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		<u>323,556,476</u>	<u>374,095,559</u>

The annexed notes form an integral part of these financial statements.




Humayun Mazhar
Chief Executive Officer

AS AT 30 JUNE, 2017

	NOTE	2017 RUPEES	2016 RUPEES Restated
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	9	4,007,469	4,504,634
CURRENT ASSETS			
Loans and advances	10	956,160	17,132,048
Security deposits	11	120,037,500	120,037,500
Prepayments		9,850	23,112
Other receivables	12	79,966	5,790,451
Short term investments	13	4,235,596	1,472,907
Bank balances	14	12,343,935	43,248,907
		137,663,007	187,704,925
Non-current asset held for sale	15	181,886,000	181,886,000
		319,549,007	369,590,925
TOTAL ASSETS		323,556,476	374,095,559



Khurram Mazhar Karim
Director



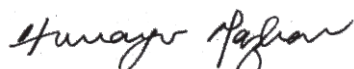
Saif Ullah
Chief Financial Officer


PROFIT AND LOSS ACCOUNT


FOR THE YEAR ENDED JUNE 30, 2017

	NOTE	2017 RUPEES	2016 RUPEES
INCOME	16	4,473,498	1,803,450
ADMINISTRATIVE EXPENSES	17	(28,408,785)	(26,665,969)
OTHER EXPENSES	18	(22,207,388)	(2,386,439)
FINANCE COST	19	(17,603,801)	(19,618,922)
LOSS BEFORE TAXATION		<u>(63,746,476)</u>	<u>(46,867,880)</u>
TAXATION	20	(2,702)	(3,743)
LOSS AFTER TAXATION		<u><u>(63,749,178)</u></u>	<u><u>(46,871,623)</u></u>
LOSS PER SHARE - BASIC AND DILUTED	21	<u><u>(2.68)</u></u>	<u><u>(1.97)</u></u>

The annexed notes form an integral part of these financial statements.


 Humayun Mazhar
 Chief Executive Officer


 Khurram Mazhar Karim
 Director


 Saif Ullah
 Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2017

	2017 RUPEES	2016 RUPEES
LOSS AFTER TAXATION	(63,749,178)	(46,871,623)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(63,749,178)</u>	<u>(46,871,623)</u>


The annexed notes form an integral part of these financial statements.



Humayun Mazhar
Chief Executive Officer



Khurram Mazhar Karim
Director



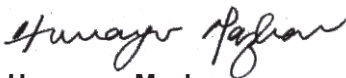
Saif Ullah
Chief Financial Officer


CASH FLOW STATEMENT


FOR THE YEAR ENDED JUNE 30, 2017

	NOTE	2017 RUPEES	2016 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	22	38,762,942	40,027,005
Finance cost paid		(25,202,419)	(144,123)
Income tax paid		(195,907)	(124,701)
Net cash generated from operating activities		<u>13,364,616</u>	<u>39,758,181</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of operating fixed assets		-	700,000
Dividends received		21,679	29,854
Profit on deposits with banks received		1,708,733	934,077
Net cash from investing activities		<u>1,730,412</u>	<u>1,663,931</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings repaid		(46,000,000)	-
Net cash used in financing activities		<u>(46,000,000)</u>	<u>-</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		<u>(30,904,972)</u>	<u>41,422,112</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		43,248,907	1,826,795
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (NOTE 14)		<u>12,343,935</u>	<u>43,248,907</u>

The annexed notes form an integral part of these financial statements.


Humayun Mazhar
 Chief Executive Officer


Khurram Mazhar Karim
 Director

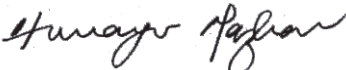

Saif Ullah
 Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

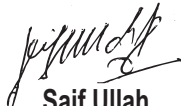
FOR THE YEAR ENDED JUNE 30, 2017

	SHARE CAPITAL	CAPITAL RESERVE	ACCUMULATED LOSS	TOTAL EQUITY
		Share premium		
----- (RUPEES) -----				
Balance as at 30 June 2015	237,634,680	35,767,584	(546,567,278)	(273,165,014)
Loss for the year	-	-	(46,871,623)	(46,871,623)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(46,871,623)	(46,871,623)
Balance as at 30 June 2016	237,634,680	35,767,584	(593,438,901)	(320,036,637)
Loss for the year	-	-	(63,749,178)	(63,749,178)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(63,749,178)	(63,749,178)
Balance as at 30 June 2017	237,634,680	35,767,584	(657,188,079)	(383,785,815)

The annexed notes form an integral part of these financial statements.


Humayun Mazhar
 Chief Executive Officer


Khurram Mazhar Karim
 Director


Saif Ullah
 Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

1. THE COMPANY AND ITS OPERATIONS

Crescent Jute Products Limited is a public limited company incorporated in Pakistan on 19 September 1964 under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 1st Floor, 65-XX, Khayaban-e-Iqbal Road, Phase-III, DHA, Lahore. The Company was engaged in manufacturing and sale of jute products including jute bags.

During the year, Executive Director, Corporate Supervision Department, Company Law Division, Securities and Exchange Commission of Pakistan (SECP) has issued Order under section 309 read with Section 305 of the repealed Companies Ordinance, 1984 and in exercise of the powers conferred on him under Section 309 of the repealed Companies Ordinance, 1984 have authorized the Registrar, Company Registration Office, SECP, Lahore to present a petition before Lahore High Court, Lahore for winding up of the Company on the ground that the Company's business has been suspended since 02 May 2011. The Company's appeal before the Appellate Bench, SECP against the aforesaid Order was unsuccessful and now the Company has appealed against the aforesaid Order in Lahore High Court, Lahore.

1.1 Non-going concern basis of accounting

Shortage of working capital and reduction in demand of finished goods resulted in the closure of Company's operations since 02 May 2011. The Company in its Annual General Meeting on 31 October 2011 decided to dispose of the property, plant and equipment of the Company. Whole of the plant and machinery and buildings on freehold land have been disposed of uptill 30 June 2015. Freehold land is also under the process of disposal. During the year ended 30 June 2017, the Company has loss after taxation of Rupees 63.749 million. The Company has suffered accumulated losses of Rupees 657.188 million as on 30 June 2017 which has turned equity into negative balance of Rupees 383.786 million.

In view of the aforesaid reasons, the Company is not considered a going concern. These financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation**a) Statement of compliance**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017 on 30 May 2017. SECP vide its Circular 17 of 2017 and its press release dated 20 July 2017 has clarified that the companies whose financial year closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Companies Act, 2017 requires enhanced disclosures about Company's operations and has also enhanced the definition of related parties.

b) Accounting convention

These financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively. In realizable / settlement value basis, assets are carried at amount of cash and cash equivalents that could currently be obtained by selling the assets in an orderly disposal. Liabilities are carried at their settlement values, that is the undiscounted amounts of cash or cash equivalents expected to be paid to satisfy the liabilities in the normal course of business.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

- i. Realizable / settlement values of assets and liabilities respectively
- ii. Useful lives, patterns of economic benefits and impairments
- iii. Taxation

The Company started preparing its financial statements using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively from the year ended 30 June 2012 and recorded adjustments to account for differences between the Company's recognized assets and the measurement of its assets and liabilities (including measurement changes resulting from changes in assumptions). Subsequently, at each reporting date the Company re-measures its assets and liabilities to reflect changes in value since the previous date. Hence, during the year ended 30 June 2017, the Company has recognized provision for doubtful loans and advances of Rupees 16,275,987 (Note 10), provision for doubtful other receivables of Rupees 5,690,882 (Note 12) and written off loans and advances of Rupees 14,000 (Note 18) in these financial statements.

Analysis of upside not recognized in the profit or loss on assets during the period:

As stated in Note 15, the Company through an agreement dated 17 July 2014 agreed to sell complete freehold land of the Company for Rupees 220.000 million to Mrs. Saima Yousaf. Carrying value of freehold land as at 30 June 2017 is Rupees 181.886 million. Hence, there is an upside of Rupees 38.114 million not recognized in the profit or loss on freehold land. Moreover, expected profit on disposal of operating fixed assets (Note 9) of the Company shall be Rupees 0.302 million. Hence, there is an upside of Rupees 0.302 million not recognized in the profit or loss on operating fixed assets.

The Company have no items that it plans to sell that the Company have not previously recognized in these financial statements.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2016:

IAS 1 (Amendments) 'Presentation of Financial Statements' (effective for annual periods beginning on or after 01 January 2016). Amendments have been made to address perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes: clarification that information should not be obscured by aggregating or by providing immaterial information, materiality consideration apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality consideration do apply; clarification that the list of the line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of other comprehensive income of equity-accounted associates and joint ventures should be presented in aggregate as

single line items based on whether or not it will subsequently be reclassified to profit or loss; and additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in IAS 1.

IAS 16 (Amendments) 'Property, Plant and Equipment' (effective for annual periods beginning on or after 01 January 2016). The amendments clarify that a depreciation method which is based on revenue, generated by an activity by using of an asset is not appropriate for property, plant and equipment; and add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

IAS 34 (Amendments) 'Interim Financial Reporting' (effective for annual periods beginning on or after 01 January 2016). This amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'. The amendment also amends IAS 34 to require a cross-reference from the interim financial statements to the location of that information.

The application of the above amendments does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

e) **Amendments to published approved accounting standards that are effective in current year but not relevant to the Company**

There are other amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2016 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) **Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant to the Company**

Following standards, interpretations and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2017 or later periods:

IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 01 January 2018). A finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 'Financial Instruments: Recognition and Measurement'. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner as under IAS 39, however there are differences in the requirements

applying to the measurement of an entity's own credit risk. The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized. It introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. The requirements for the de-recognition of financial assets and liabilities are carried forward from IAS 39. The management of the Company is in the process of evaluating the impacts of the aforesaid standard on the Company's financial statements.

IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 01 January 2018). IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are: identify the contract with the customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contracts; and recognize revenue when (or as) the entity satisfies a performance obligation. Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. IFRS 15 replaces IAS 11 'Construction Contracts', IAS 18 'Revenue', IFRIC 13 'Customer Loyalty Programmes', IFRIC 15 'Agreements for Construction of Real Estate', IFRIC 18 'Transfer of Assets from Customers' and SIC 31 'Revenue-Barter Transactions Involving Advertising Services'. The aforesaid standard is not expected to have a material impact on the Company's financial statements.

IFRS 15 (Amendments), 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 01 January 2018). Amendments clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations and licensing) and to provide some transition relief for modified contracts and completed contracts. The aforesaid amendments are not expected to have a material impact on the Company's financial statements.

IAS 7 (Amendments), 'Statement of Cash Flows' (effective for annual periods beginning on or after 01 January 2017). Amendments have been made to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The aforesaid amendments will result in certain additional disclosures in the Company's financial statements.

IAS 12 (Amendments), 'Income Taxes' (effective for annual periods beginning on or after 01 January 2017). The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of

the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments are not likely to have significant impact on Company's financial statements.

IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 01 January 2018). IFRIC 22 clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The interpretation is not expected to have a material impact on the Company's financial statements.

IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019). The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'. It specifically considers: whether tax treatments should be considered collectively; assumptions for taxation authorities' examinations; the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and the effect of changes in facts and circumstances. The interpretation is not expected to have a material impact on the Company's financial statements.

g) Standards and amendments to published approved accounting standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2017 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Employees' retirement benefits

The Company curtailed its employees' retirement benefit scheme effective from 01 November 2002. Since February 2003, the Company started hiring of employees on contractual basis. Now, the contract of service is renewable at the option of the Company.

2.3 Taxation

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.4 Foreign currencies

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date, while the transactions in foreign currencies during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in the profit and loss account.

2.5 Operating fixed assets and depreciation

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Cost of operating fixed assets consists of historical cost and other directly attributable costs of bringing the assets to working condition. Freehold land is stated at revalued amount less any recognized impairment loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the period in which they are incurred.

Increase in the carrying amount arising on revaluation of freehold land is credited to surplus on revaluation of freehold land. Decreases that offset previous increases of the same assets are charged against this surplus, all other decreases are charged to income.

Depreciation

Depreciation on operating fixed assets is charged to profit and loss account applying the reducing balance method at the rates given in Note 9 except for computers which are depreciated on the straight line method at the rate of 33.33 percent per annum to write off the cost / depreciable amount of the assets over their estimated useful lives. The Company charges the depreciation on additions from the month when the asset is available for use and no depreciation is charged in the month when the asset is de-recognized. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

De-recognition

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit and loss account in the year the asset is de-recognized.

2.6 Investments

Classification of an investment is made on the basis of intended purpose for holding such investment. Management determines the appropriate classification of its investments at the time of purchase and re-evaluates such designation on regular basis.

Investments are initially measured at fair value plus transaction costs directly attributable to acquisition, except for "Investments at fair value through profit or loss" which is measured initially at fair value.

The Company assesses at the end of each reporting period whether there is any objective evidence that investments are impaired. If any such evidence exists, the Company applies the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' to all investments.

a) Investments at fair value through profit or loss

Investments classified as held-for-trading and those designated as such are included in this category. Investments are classified as held-for-trading if these are acquired for the purpose of selling in the short term. Gains or losses on investments held-for-trading are recognized in profit and loss account.

b) Held-to-maturity

Investments with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. Investments

intended to be held for an undefined period are not included in this classification. Other long-term investments that are intended to be held to maturity are subsequently measured at amortized cost. This cost is computed as the amount initially recognized minus principal repayments, plus or minus the cumulative amortization, using the effective interest method, of any difference between the initially recognized amount and the maturity amount. For investments carried at amortized cost, gains and losses are recognized in profit and loss account when the investments are de-recognized or impaired, as well as through the amortization process.

c) Available for sale

Investments intended to be held for an indefinite period of time, which may be sold in response to need for liquidity, or changes to interest rates or equity prices are classified as available for sale. After initial recognition, investments which are classified as available for sale are measured at fair value. Gains or losses on available for sale investments are recognized directly in statement of other comprehensive income until the investment is sold, de-recognized or is determined to be impaired, at which time the cumulative gain or loss previously reported in statement of other comprehensive income is included in profit and loss account. These are sub-categorized as under:

Quoted

For investments that are actively traded in organized capital markets, fair value is determined by reference to stock exchange quoted market bids at the close of business on the balance sheet date.

Unquoted

The investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, subsequent to initial recognition are carried at cost less any identified impairment loss.

2.7 Revenue recognition

Revenue from different sources is recognized as under:

- Revenue from sale of goods is recognized on dispatch of goods to customers.
- Dividend on equity investments is recognized when right to receive the dividend is established.
- Profit on deposits with banks is recognized on time proportion basis taking into account the amounts outstanding and rates applicable thereon.

2.8 Financial instruments

Financial instruments carried on the balance sheet include investments, deposits, loans and advances, other receivables, bank balances, borrowings, accrued mark-up and trade and other payables etc. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for “financial instruments at fair value through profit or loss” which are initially measured at fair value.

2.9 Borrowings

Borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the profit and loss account over the period of the borrowings using the effective interest method.

2.10 Non-current asset held for sale

Non-current asset is classified as held for sale when its carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. It is stated at the lower of carrying amount and fair value less costs to sell.

2.11 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost.

2.12 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made.

2.13 Impairment

The carrying amounts of assets are reviewed at each balance sheet date for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. If such indication exists, and where the carrying value exceeds the estimated recoverable amount, assets are written down to their recoverable amounts. The resulting impairment loss is taken to the profit and loss account except for impairment loss on revalued assets, which is adjusted against the related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

2.14 Off setting

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.16 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2017	2016		2017	2016
(NUMBER OF SHARES)			RUPEES	RUPEES
15 723 741	15 723 741	Ordinary shares of Rupees 10 each fully paid in cash	157,237,410	157,237,410
8 039 727	8 039 727	Ordinary shares of Rupees 10 each issued as fullypaid bonus shares	80,397,270	80,397,270
<u>23 763 468</u>	<u>23 763 468</u>		<u>237,634,680</u>	<u>237,634,680</u>

3.1 Ordinary shares of the Company held by the associated companies:

	2017	2016
	(NUMBER OF SHARES)	
Crescent Cotton Mills Limited	201 933	201 933
Crescent Group (Private) Limited	79	79
Crescent Powertec Limited	80 000	80 000
Premier Insurance Limited	7 000	7 000
Shams Textile Mills Limited	12 476	12 476
The Crescent Textile Mills Limited	2 747 158	2 747 158
	<u>3 048 646</u>	<u>3 048 646</u>

4. CAPITAL RESERVE	2017	2016
	RUPEES	RUPEES
Share premium (Note 4.1)	<u>35,767,584</u>	<u>35,767,584</u>

4.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

5. SURPLUS ON REVALUATION OF FREEHOLD LAND

Freehold land of the Company was revalued by an independent valuer, Messrs Saleem Engineers on 28 September 2011 applying current assessed value. Previously the revaluations were carried out by independent valuers on 30 June 1996, 30 June 2005, 31 December 2007 and 28 June 2010.

	2017 RUPEES	2016 RUPEES
6. TRADE AND OTHER PAYABLES		
Accrued liabilities	324,719	320,771
Due to related party	6,851,364	6,851,364
Advance against sale of land(Note 6.1)	153,334,000	86,667,000
Unclaimed dividend	337,312	337,312
Income tax deducted at source	4,694	92,407
	160,852,089	94,268,854

6.1 This amount was received as advance against sale of land from Mrs. Saima Yousaf as mentioned in Note 15.

7. BORROWINGS

From banking companies and financial institutions - secured

The Bank of Punjab(Note 7.1)	99,913,069	99,686,550
Crescent Standard Modaraba(Note 7.2)	33,810,398	33,810,398

Unsecured

Innovative Investment Bank Limited (Note 7.3)	18,083,326	18,083,326
Loan from sponsor(Note 7.4)	4,461,237	4,461,237
Crescent Jute Mills Limited(Note 7.5)	55,138,715	55,138,715
Crescent Foundation(Note 7.6)	-	46,000,000

211,406,745	257,180,226
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7.1 This includes cash finance, FIM-180 days and FE-25 obtained from The Bank of Punjab. Cash finance was provided under mark-up arrangement at the rate of average 3 months KIBOR plus 3 percent (2016: Average 3 months KIBOR plus 3 percent) per annum with no floor or cap. The rate of mark-up for cash finance ranges from 9.05 percent to 9.11 percent (2016: 9.35 percent to 10.01 percent) per annum. The rate of mark-up for FIM-180 days and FE-25 ranges from 6.45 percent to 16.52 percent (2016: 6.45 percent to 16.52 percent) per annum. These finances were secured against effective pledge of finished goods with 25% margin and first pari passu charge over present and future fixed assets (including land, building, plant and machinery) for Rupees 300 million through registered mortgage, first pari passu charge over present and future current assets for Rupees 293.340 million, pledge of shares owned by Company and sponsors / directors of various companies keeping 30 percent margin, effective pledge of raw jute at invoice value and personal guarantee of the directors of the Company. As per the terms of the respective sanction advice, these borrowing facilities were expired on 31 July 2011 and not renewed.

The Bank has filed a suit in Lahore High Court against the Company for the recovery of principal amount and accrued mark-up of these facilities. However with reference to Note 9.1, the Bank has provided No Objection Certificate (NOC) for vacation of charge on assets. The Bank in its direct balance confirmation letter to the auditors as at 30 June 2017 have claimed principal balance outstanding of Rupees 103,418,329 against Rupees 99,913,069 appearing in books of account of the Company and claimed mark-up payable on borrowings of Rupees 65,422,562

against Rupees 56,873,876 appearing in books of account of the Company. Hence, the Bank has claimed Rupees 3,505,259 excess on account of principal outstanding and Rupees 8,548,686 on account of mark-up payable from the Company. The Company has not recognized the excess claims of the Bank in these financial statements based on opinion of its legal advisor. As per legal advisor of the Company, even in worst scenario, if the suit of Bank is decreed, even then the same cannot be decreed beyond the claimed amount of Bank as stated in the Bank's recovery suit. Furthermore, the Bank is not entitled to any mark-up from the date of default as alleged in the plaint of its recovery suit and at the most Bank can be granted cost of funds at the rate of State Bank of Pakistan's provided rate of cost of funds. Therefore any exaggerated claim of Bank more than its claimed amount in suit, is untenable at this moment.

- 7.2** This facility was obtained from Crescent Standard Modaraba (CSM) which was repayable upto 30 June 2012, but the Company could not pay the balance uptill the expiry of the prescribed date. This facility was secured with demand promissory notes of Rupees 49.500 million, pledge of stocks of raw jute and hessian cloth and in case of default carried mark-up at the rate of 18 percent (2016: 18 percent) per annum on the outstanding balance. As per agreement, CSM agreed to waive off mark up on default amounting to Rupees 15.290 million subject to liquidation of entire murabaha facility by 30 June 2012. However as the Company failed to pay the entire facility uptill agreed date, the waiver of the above mentioned mark-up was withdrawn by CSM.

CSM filed a suit in Modaraba Tribunal against the Company for the recovery of above mentioned principal amount and mark-up amounting to Rupees 15.290 million previously waived off by CSM. The case has been decided against the Company. Now the Company has filed an appeal in Lahore High Court Lahore against the order of Modaraba Tribunal.

- 7.3** This represents interest free loan obtained from Innovative Investment Bank Limited with sixty equal monthly installments commenced on 01 January 2009 uptill 01 December 2013. According to the loan agreement, in case the Company fails to pay any one of the installment, the entire outstanding amount on that date would be reinstated and immediately fell due carrying mark-up at the rate of 14 percent (2016: 14 percent) per annum. Due to non-payment of installments since more than four years, entire outstanding amount of the loan has become immediately due.
- 7.4** This represents interest free loan obtained from a sponsor of the Company repayable on demand.
- 7.5** This represents interest free loan obtained from Crescent Jute Mills Limited (CJML) with whom the Company had approved the scheme of merger in the annual general meeting held on 31 October 2005. The time limit allowed in the scheme of merger has lapsed on 01 January 2008 and no agreement for further period has been executed by the Company with CJML. However, CJML showed its interest to convert this loan into equity on 28 November 2008. But the matter is still pending on behalf of the Company.
- 7.6** This loan has been repaid on 27 February 2017 by the Company. It carried mark-up at the rate of 8 percent (2016: 8 percent) per annum.

8. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) The Commissioner Inland Revenue raised demand for sales tax amounting to Rupees 34.022 million (2016: Rupees 34.022 million) along with additional tax and penalty in respect of sales tax not charged on sale of fixed assets, sale of scrap, disputed inputs claimed, etc. Then Company filed appeals before the Appellate Tribunal Inland Revenue and subsequently in Lahore High Court, Lahore which were decided against the Company. Now the Company has filed an appeal in Supreme Court of Pakistan against the decision of Lahore High Court, Lahore. Moreover, the Company also approached Federal Board of Revenue (FBR) for a decision by Alternate Dispute Resolution Committee (ADRC). The Committee has given its recommendations to FBR. Pending decisions of the Supreme Court and FBR, no provision has been made in these financial statements. Based on the advice of legal counsel, the management is of the view that there are strong grounds about the decision of the case in favour of the Company.
- ii) Deputy Commissioner Inland Revenue, Lahore ordered for recovery of sales tax amounting to Rupees 934,414 along with default surcharge and penalty under section 34 and 33 of Sales Tax Act, 1990. The Company has filed an appeal against this order to Commissioner Inland Revenue (Appeals), Lahore subsequently after the year end on 14 July 2017. The related provision is not made in these financial statements in view of favourable outcome of the appeal.

b) Commitments

There was no capital or other commitment of the Company as at 30 June 2017 (2016: Rupees Nil).

9. OPERATING FIXED ASSETS

	Furniture and fittings	Computers	Vehicles	Total
	RUPEES			
At 30 June 2015				
Cost	19,203,298	6,284,191	2,968,070	28,455,559
Accumulated depreciation	(15,204,429)	(6,281,271)	(1,730,903)	(23,216,603)
Net book value	<u>3,998,869</u>	<u>2,920</u>	<u>1,237,167</u>	<u>5,238,956</u>
Year ended 30 June 2016				
Opening net book value	3,998,869	2,920	1,237,167	5,238,956
Disposal:				
Cost	-	-	(750,000)	(750,000)
Accumulated depreciation	-	-	604,223	604,223
	-	-	(145,777)	(145,777)
Depreciation charge	(399,887)	(2,920)	(185,738)	(588,545)
Closing net book value	<u>3,598,982</u>	<u>-</u>	<u>905,652</u>	<u>4,504,634</u>

	Furniture and fittings	Computers	Vehicles	Total
----- RUPEES -----				
At 30 June 2016				
Cost	19,203,298	6,284,191	2,218,070	27,705,559
Accumulated depreciation	(15,604,316)	(6,284,191)	(1,312,418)	(23,200,925)
Net book value	<u>3,598,982</u>	<u>-</u>	<u>905,652</u>	<u>4,504,634</u>
Year ended 30 June 2017				
Opening net book value	3,598,982	-	905,652	4,504,634
Depreciation charge	(359,898)	-	(137,267)	(497,165)
Closing net book value	<u>3,239,084</u>	<u>-</u>	<u>768,385</u>	<u>4,007,469</u>
At 30 June 2017				
Cost	19,203,298	6,284,191	2,218,070	27,705,559
Accumulated depreciation	(15,964,214)	(6,284,191)	(1,449,685)	(23,698,090)
Net book value	<u>3,239,084</u>	<u>-</u>	<u>768,385</u>	<u>4,007,469</u>
Annual rate of depreciation (%)	10	33.33	20	

9.1 The Bank of Punjab had previously first pari passu charge over freehold land, buildings thereon, plant and machinery of the Company for Rupees 300 million through registered mortgage. However as per the order of Lahore High Court Lahore dated 09 October 2013, NOC was given by the bank on deposit of Rupees 120 million with the Deputy Registrar (Judicial) of the Lahore High Court Lahore (Note 11).

9.2 Operating fixed assets having cost of Rupees 6.284 million (2016: Rupees 6.284 million) have been fully depreciated and are still in use of the Company.

10. LOANS AND ADVANCES	2017 RUPEES	2016 RUPEES
Considered good:		
Employees - interest free (Note 10.1)	80,900	172,965
Income tax	875,260	16,959,083
	<u>956,160</u>	<u>17,132,048</u>
Considered doubtful:		
Income tax	16,275,987	-
Less: Provision for doubtful loans and advances (Note 18)	(16,275,987)	-
	<u>-</u>	<u>-</u>

	2017 RUPEES	2016 RUPEES
Investments at fair value through profit or loss		
Quoted - others		
Shakarganj Limited		
33 440 (2016: 33 440) fully paid ordinary shares of Rupees 10 each Equity held: 0.03% (2016: 0.03%)	522,333	568,480
Crescent Fibres Limited		
17 499 (2016: 17 499) fully paid ordinary shares of Rupees 10 each Equity held: 0.14% (2016: 0.14%)	698,210	761,207
Shahzad Textile Mills Limited		
60 (2016: 60) fully paid ordinary shares of Rupees 10 each	1,260	1,448
Thal Limited		
412 (2016: 412) fully paid ordinary shares of Rupees 10 each	116,604	117,597
	1,338,407	1,448,732
Unrealized gain / (loss) on remeasurement of investments (Note 16 and Note 18)	2,762,689	(110,325)
	4,101,096	1,338,407
	<u>4,235,596</u>	<u>1,472,907</u>

13.1 Full amount of impairment has been provided against investment in Crescent Group (Private) Limited.

14. BANK BALANCES

On current accounts	51,216	53,624
On deposit accounts (Note 14.1)	12,292,719	43,195,283
	<u>12,343,935</u>	<u>43,248,907</u>

14.1 Rate of profit on deposit accounts ranges from 3.75 percent to 5.60 percent (2016: 3.37 percent to 4.50 percent) per annum.

15. NON-CURRENT ASSET HELD FOR SALE

The Company through an agreement dated 17 July 2014 agreed to sell complete freehold land of the Company for Rupees 220.000 million to Mrs. Saima Yousaf. The Company has received Rupees 153.334 million as advance in this regard as shown in Note 6.1. Remaining Rupees 66.666 million will be received from the buyer in single installment on 24 December 2017. According to the agreement, the ownership of land equivalent to the payment received shall be transferred in the name of the purchaser after the clearance of cheque received for this purpose. Although two installments amounting to Rupees 133.334 along with Rupees 20 million of token money have been received from the purchaser, but ownership of proportionate freehold land has not been transferred till the date of authorization for issue of these financial statements. The management of the Company is of the view that ownership of complete freehold land shall be transferred in the name of the buyer on receipt of remaining single installment of Rupees 66.666

million from the buyer. The management is of the view that this stance is essential for 100% and on-time recovery of remaining single installment of Rupees 66.666 million from the buyer. Further, the legal counsel of the Company is of the view that there is no default on part of the Company in performance of its obligation to transfer ownership of proportionate freehold land to the buyer as completion of necessary paperwork and payment of necessary duties and taxes is the responsibility of the buyer. Hence, the Company has not derecognized the carrying amount of proportionate freehold land in these financial statements as the criteria for the sale of goods in IAS 18 'Revenue' has not been met.

If freehold land was measured using the cost model, carrying amount would be Rupees 102,726 (2016: Rupees 102,726) as at the reporting date(s).

The Company did not classify its freehold land as non-current asset held for sale in its financial statements for the year ended 30 June 2016 in view of limited guidance available on current and non-current classification of assets in the financial statements prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively. In view of guidance, now available, after The Institute of Chartered Accountants of Pakistan issued, during the year, the "Guideline on the Basis of Preparation of Financial Statements for Companies that are Not Considered Going Concern", the Company has now properly classified the freehold land in these financial statements as non-current asset held for sale. Hence, the increase in surplus on revaluation relating to freehold land recognized during the year ended 30 June 2016 of Rupees 26.130 million has been reversed in these financial statements. There are no other impacts of this correction on these financial statements.

Non-recurring fair value measurements

Freehold land classified as held for sale was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the freehold land was determined using the sales comparison approach. This is a level 2 measurement as per the fair value hierarchy set out in Note 28.

	2017 RUPEES	2016 RUPEES
16. INCOME		
Income from financial assets		
Profit on deposits with banks	1,689,190	1,033,586
Dividend income on investments in other than associated companies	21,619	29,914
Profit on sale of right offer	-	38,362
Un-realized gain on re-measurement of investments at fair value through profit or loss (Note 13)	2,762,689	-
Income from non-financial assets		
Gain on sale of operating fixed assets	-	554,223
Others	-	147,365
	-	701,588
	<u>4,473,498</u>	<u>1,803,450</u>

	2017	2016
	RUPEES	RUPEES
17. ADMINISTRATIVE EXPENSES		
Salaries, allowances and other benefits	19,983,876	20,789,663
Rent, rates and taxes	879,858	788,561
Legal and professional	3,055,850	1,820,480
Insurance	175,643	176,895
Travelling and conveyance	1,050,251	550,540
Vehicles' running	497,739	386,015
Entertainment	115,643	111,838
Auditors' remuneration (Note 17.1)	309,570	267,500
Advertisement	178,850	34,000
Postage and telephone	397,540	422,927
Electricity and water	250,283	319,560
Printing and stationery	138,836	154,275
Repair and maintenance	30,558	30,974
Fee and subscription	-	24,440
Depreciation (Note 9)	497,165	588,545
Miscellaneous	847,123	199,756
	<u>28,408,785</u>	<u>26,665,969</u>
17.1 Auditors' remuneration		
Audit fee	200,000	200,000
Half yearly review	75,000	50,000
Reimbursable expenses	34,570	17,500
	<u>309,570</u>	<u>267,500</u>
	2017	2016
	RUPEES	RUPEES
18. OTHER EXPENSES		
Exchange loss	226,519	2,265,192
Loans and advances written off	14,000	10,922
Un-realized loss on re-measurement of investments at fair value through profit or loss (Note 13)	-	110,325
Provision for doubtful loans and advances (Note 10)	16,275,987	-
Provision for doubtful other receivables (Note 12)	5,690,882	-
	<u>22,207,388</u>	<u>2,386,439</u>

	2017 RUPEES	2016 RUPEES
19. FINANCE COST		
Mark-up on borrowings	17,401,380	19,474,798
Bank charges and commission	202,421	144,124
	<u>17,603,801</u>	<u>19,618,922</u>
20. TAXATION		
Current (Note 20.1)	<u>2,702</u>	<u>3,743</u>
20.1		
Provision for current taxation represents tax on other income under the relevant provisions of the Income Tax Ordinance, 2001. The Company has accumulated tax losses of Rupees 494.136 million including unabsorbed depreciation as at 30 June 2017 (2016: Rupees 541.581 million). The related deferred income tax asset amounting to Rupees 154.410 million (2016: Rupees 167.513 million) has not been recognized in these financial statements as sufficient tax profits would not be probably available to set off these in the foreseeable future. Reconciliation of tax expenses and product of accounting profit multiplied by the applicable tax rate is not required in view of accumulated tax losses of the Company.		
21. LOSS PER SHARE - BASIC AND DILUTED		
There is no dilutive effect on the basic loss per share which is based on:		
	2017	2016
Loss for the year (Rupees)	<u>(63,749,178)</u>	<u>(46,871,623)</u>
Weighted average number of ordinary shares (Numbers)	<u>23 763 468</u>	<u>23 763 468</u>
Loss per share (Rupees)	<u>(2.68)</u>	<u>(1.97)</u>
22. CASH GENERATED FROM OPERATIONS	2017 RUPEES	2016 RUPEES
Loss before taxation	(63,746,476)	(46,867,880)
Adjustments for non-cash charges and other items:		
Depreciation	497,165	588,545
Gain on sale of operating fixed assets	-	(554,223)
Loans and advances written off	14,000	10,922
Provision for doubtful loans and advances	16,275,987	-
Provision for doubtful other receivables	5,690,882	-
Profit on deposits with banks	(1,689,190)	(1,033,586)
Un-realized (gain) / loss on re-measurement of investments at fair value through profit or loss	(2,762,689)	110,325
Dividend income	(21,619)	(29,914)
Exchange loss	226,519	2,265,192
Finance cost	17,603,801	19,618,922
Working capital changes (Note 22.1)	66,674,562	65,918,702
	<u>38,762,942</u>	<u>40,027,005</u>

	2017 RUPEES	2016 RUPEES
22.1 Working capital changes		
Decrease / (increase) in current assets:		
- Loans and advances	78,065	119,113
- Security deposits	-	500,730
- Prepayments	13,262	(7,669)
	91,327	612,174
Increase in trade and other payables	66,583,235	65,306,528
	66,674,562	65,918,702

23. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVE

The aggregate amount charged in these financial statements for remuneration including all benefits to Chief Executive Officer, Director and Executive of the Company is as follows:

	Chief Executive Officer		Director		Executive	
	2017	2016	2017	2016	2017	2016
	-----RUPEES-----					
Managerial remuneration	4,000,800	4,000,800	1,260,000	1,128,000	630,000	580,000
Allowances						
House rent	1,999,200	1,999,200	378,000	338,400	189,000	174,000
Medical	-	-	126,000	112,800	63,000	58,000
Utilities	-	-	126,000	112,800	63,000	58,000
Special compensation	-	-	-	1,716,000	-	770,000
	6,000,000	6,000,000	1,890,000	3,408,000	945,000	1,640,000
Number of persons	1	1	1	1	1	1

23.1 Aggregate amount charged in these financial statements for meeting fee to five directors (2016: five directors) was Rupees 57,500 (2016: Rupees 45,000).

23.2 The Company provided re-imbursment of fuel and maintenance cost to a director for his personal vehicle as per Company's policy. Moreover, the Executive is provided free Company maintained vehicle.

23.3 No remuneration was paid to non-executive directors of the Company.

24. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	2017 RUPEES	2016 RUPEES
Associated companies		
Service charges accrued	94,524	97,859
Directors		
Loan received	-	5,500,000
Loan repaid	-	5,500,000
25. NUMBER OF EMPLOYEES		
	2017	2016
	(Number of Persons)	
Number of employees as on 30 June (Contractual)	45	46
Average number of employees during the year (Contractual)	43	46

26. PLANT CAPACITY AND ACTUAL PRODUCTION

The Company has ceased its production activities since May 2011 and disposed of all the plant and machinery.

27. FINANCIAL RISK MANAGEMENT

27.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, investment of excess liquidity and use of non-derivative financial instruments.

(a) Market risk

(i) currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to borrowings. The Company's exposure to currency risk was as follows:

	2017	2016
Borrowings - FE-25 - USD	755,064	755,064
Following exchange rate was applied during the year:		
Rupees per US Dollar		
Average rate	104.65	103.00
Reporting date rate	104.80	104.50

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD, with all other variables held constant, the impact on loss after taxation for the year would have been Rupees 3.957 million (2016: Rupees 3.945 million) higher / lower, mainly as a result of exchange loss / gain on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Company's loss after taxation and on other comprehensive loss for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on loss after taxation		Impact on other comprehensive loss	
	2017	2016	2017	2016
----- RUPEES -----				
PSX 100 (5% increase)	205,055	66,920	-	-
PSX 100 (5% decrease)	(205,055)	(66,920)	-	-

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from borrowings and bank balances in deposit accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the balance sheet date, the interest rate profile of the Company's interest bearing financial instruments was:

	2017 RUPEES	2016 RUPEES
Fixed rate instruments:		
Financial liabilities		
Borrowings	135,382,758	181,156,239
Floating rate instruments:		
Financial assets		
Bank balances - deposit accounts	12,292,719	43,195,283
Financial liabilities		
Borrowings	16,424,035	16,424,035

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rupees 0.164 million (2016: Rupees 0.164 million) higher / lower, mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at balance sheet date were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2017 RUPEES	2016 RUPEES
Investments	4,235,596	1,472,907
Loans and advances	80,900	172,965
Other receivables	79,966	99,569
Deposits	120,037,500	120,037,500
Bank balances	12,343,935	43,248,907
	136,777,897	165,031,848

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2017	2016
	Short Term	Long term	Agency	RUPEES	RUPEES
Banks					
MCB Bank Limited	A1+	AAA	PACRA	1,031,861	43,174,917
United Bank Limited	A-1+	AAA	JCR-VIS	10,513	10,513
National Bank of Pakistan	A-1+	AAA	JCR-VIS	697	697
Bank Alfalah Limited	A1+	AA+	PACRA	1,790	1,790
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	10,631,109	-
Faysal Bank Limited	A1+	AA	PACRA	5	75
Dubai Islamic Bank Pakistan Limited	A-1	AA-	JCR-VIS	667,960	60,915
				12,343,935	43,248,907

Due to the Company's long standing business relationships with these counterparties, the management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

At 30 June 2017, the Company had not any unavailed borrowing limits from financial institutions and Rupees 12.344 million (2016: Rupees 43.249 million) bank balances. The management believes the liquidity risk to be high. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 June 2017:

	Carrying Amount	Contractual Cash Flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
-----RUPEES-----						
Non-derivative financial liabilities:						
Borrowings	211,406,745	219,376,581	219,376,581	-	-	-
Trade and other payables	7,513,395	7,513,395	7,513,395	-	-	-
Accrued mark-up	153,297,481	153,297,481	153,297,481	-	-	-
	<u>372,217,621</u>	<u>380,187,457</u>	<u>380,187,457</u>	<u>-</u>	<u>-</u>	<u>-</u>

Contractual maturities of financial liabilities as at 30 June 2016:

Non-derivative financial liabilities:						
Borrowings	257,180,226	266,977,826	266,977,826	-	-	-
Trade and other payables	7,509,447	7,509,447	7,509,447	-	-	-
Accrued mark-up	160,896,099	160,896,099	160,896,099	-	-	-
	<u>425,585,772</u>	<u>435,383,372</u>	<u>435,383,372</u>	<u>-</u>	<u>-</u>	<u>-</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 June. The rates of interest / mark up have been disclosed in Note 7 to these financial statements.

27.2 Financial instruments by categories

	Loans and receivables	At fair value through profit or loss	Available for sale	Total
-----RUPEES-----				
As at 30 June 2017				
Assets as per balance sheet				
Investments	-	4,101,096	134,500	4,235,596
Loans and advances	80,900	-	-	80,900
Other receivables	79,966	-	-	79,966
Deposits	120,037,500	-	-	120,037,500
Bank balances	12,343,935	-	-	12,343,935
	<u>132,542,301</u>	<u>4,101,096</u>	<u>134,500</u>	<u>136,777,897</u>
				Financial liabilities at amortized cost
				RUPEES
Liabilities as per balance sheet				
Borrowings				211,406,745
Trade and other payables				7,513,395
Accrued mark-up				153,297,481
				<u>372,217,621</u>

	Loans and receivables	At fair value through profit or loss	Available for sale	Total
-----RUPEES-----				
As at 30 June 2016				
Assets as per balance sheet				
Investments	-	1,338,407	134,500	1,472,907
Loans and advances	172,965	-	-	172,965
Other receivables	99,569	-	-	99,569
Deposits	120,037,500	-	-	120,037,500
Bank balances	43,248,907	-	-	43,248,907
	<u>163,558,941</u>	<u>1,338,407</u>	<u>134,500</u>	<u>165,031,848</u>
				Financial liabilities at amortized cost
				RUPEES
Liabilities as per balance sheet				
Borrowings				257,180,226
Trade and other payables				7,509,447
Accrued mark-up				160,896,099
				<u>425,585,772</u>

27.3 Off setting financial assets and liabilities

As on balance sheet date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

27.4 Capital risk management

The Company has ceased its all production activities and the management concludes that the Company is not a going concern. Therefore, there is no need to maintain and adjust the capital structure and monitor the issues pertaining to the capital risk management of the Company.

28. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

The judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 June 2017	Level 1	Level 2	Level 3	Total
----- RUPEES -----				
Financial assets				
At fair value through profit or loss	4,101,096	-	-	4,101,096
Total financial assets	4,101,096	-	-	4,101,096

Recurring fair value measurements At 30 June 2016	Level 1	Level 2	Level 3	Total
----- RUPEES -----				
Financial assets				
At fair value through profit or loss	1,338,407	-	-	1,338,407
Total financial assets	1,338,407	-	-	1,338,407

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

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

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available for sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

(ii) Valuation techniques used to determine fair values

Valuation technique used to value financial instruments includes the use of quoted market prices.

29. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 27, 2017 by the Board of Directors of the Company.

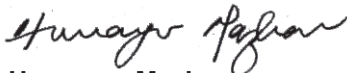
30. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison.

During the year, The Institute of Chartered Accountants of Pakistan issued "Guidelines on the Basis of Preparation of Financial Statements for Companies that are Not Considered Going Concern" which necessitated changes in presentation and disclosures in these financial statements. The main change being current and non-current classification of assets and liabilities.

31. GENERAL

Figures have been rounded off to nearest Rupee unless otherwise stated.



Humayun Mazhar
Chief Executive Officer



Khurram Mazhar Karim
Director



Saif Ullah
Chief Financial Officer

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

Islamabad, the 9th September, 2015

S.R.O. 924 (I)/2015:- In exercise of the powers conferred by Section 506B of the Companies Ordinance, 1984 (XLVII of 1984), the Securities and Exchange Commission of Pakistan is pleased to direct that a company listed on a stock exchange in Pakistan shall, while issuing annual accounts and balance sheet, incorporate the following informational message on 'JamaPunji', with immediate effect:



www.jamapunji.pk

Jama Punji
سرمایہ کاری سمجھداری کے ساتھ

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- Insurance & Investment Checklist
- FAQs Answered
- Stock trading simulator (based on live feed from KSE)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes

Jama Punji is an initiative of the above authorities of Securities and Exchange Commission of Pakistan.

Jamapunji.pk @jamapunji_pk

*Mobile apps are also available for download for android and ios devices.

[No. EMD/website-regulation/74/2011]

Bushra
9/9/15
(Bushra Aslam)
Secretary to the Commission



FORM OF PROXY

I/We _____
of _____ a member/members of Crescent Jute
Products Limited and holder of _____ shares as per Registered Folio
#/CDC Participant ID # / Sub A/C # / Investor A/C # _____ do hereby appoint
_____ of _____ or failing
him / her _____ of _____

who is also member of the Company vide Registered Folio # / CDC Participant ID # / Sub A/C # /
Investor A/C # _____ as my / our Proxy to attend, speak and vote for me/us and on
my/our behalf at the Annual General Meeting of the shareholders of CRESCENT JUTE PRODUCTS
LIMITED to be held on Friday the October 27, 2017 at 11:00 a.m. at 503 - E, Johar Town, Lahore
and at any adjournment thereof.

As witness my hand this _____ day of _____ October 2017

Member's Signature

Please affix
here Revenue
Stamp

Witness Signature

Place _____

Date: _____

Note: A member eligible to attend and vote at this meeting may appoint another member as his / her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.

Proxies of the member (s) through CDC shall be accompanied with attested copies of the CNIC(s). The shareholders through CDC are requested to bring original CNIC, Account Number and participant Account Number to be produced at the time of attending the meeting.



CRESCENT JUTE
PRODUCTS LTD.

CRESCENT JUTE PRODUCTS LIMITED

تشکیل نیابت داری (پراکسی فارم)

میں / ہم _____

ساکن _____

بحیثیت حصہ دار کرپینڈنٹ چیوٹ پروڈکٹس لمیٹڈ _____

نام (فولیو / سی ڈی سی اکاؤنٹ نمبر اگر ممبر ہو)

یا بصورت دیگر _____

نام (فولیو / سی ڈی سی اکاؤنٹ نمبر اگر ممبر ہو)

ساکن _____ کو اپنی جگہ بروز جمعہ 27 اکتوبر 2017

کو بوقت دن کے 11:00 بجے صبح 503-E جوہر ٹاؤن، لاہور۔ میں منعقد یا ملتوی ہونے والے سالانہ عام اجلاس میں شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

بطور گواہ میرے / ہمارے دستخط سے مورخہ _____ اکتوبر 2017 کو دی گئی۔

۵ روپے کارسیدی ٹکٹ
چسپاں کر کے دستخط کریں

۱۔ گواہ

دستخط _____ :

نام _____ :

شناختی کارڈ نمبر _____ :

پتہ _____ :

دستخط _____
(ممبر اجازت فر)

۲۔ گواہ

دستخط _____ :

نام _____ :

شناختی کارڈ نمبر _____ :

پتہ _____ :

حاصل عام حصص

سی ڈی سی اکاؤنٹ نمبر		فولیو نمبر
اکاؤنٹ نمبر	شراکتی آئی ڈی	

کمپیوٹرائزڈ شناختی کارڈ نمبر _____ - _____ - _____ - _____ - _____

نوٹس:

- (۱) پراکسیز کے منوثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے ۴۸ گھنٹے قبل بمعہ دستخط گواہان اور رسیدی ٹکٹ کمپنی کو موصول ہو جانی چاہئیں۔
- (۲) سی ڈی سی حصص داران اجلاس ہذا میں شرکت کرنے، بولنے اور ووٹ دینے کیلئے اہل ہیں اور اپنی شناخت ثابت کرنے کے لیے اپنے اصلی کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ ساتھ لائیں اور پراکسی کی صورت میں اپنے کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ کی تصدیق شدہ کاپی ساتھ لگائیں۔
- (۳) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز / پار آف انٹرنی بمعہ نمائندہ کے دستخط پراکسی فارم کے ساتھ لف کرنے ہونگے۔

بورڈ کا اجلاس اور ڈائریکٹرز کی حاضری

سال کے دوران، بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری مندرجہ ذیل ہے:

سیریل نمبر	حروف تہجی کی بنیاد پر ڈائریکٹر کا نام	ان کی مدت میں منعقدہ اجلاس	اجلاس میں حاضری
1.	محترمہ عابدہ مظہر	4	1
2.	محترمہ عائشہ خرم مظہر	4	1
3.	جناب ہمایوں مظہر	4	4
4.	جناب خرم مظہر کریم	4	4
5.	محترمہ مہرین ہمایوں مظہر	4	1
6.	سید رضا عباس جعفری	4	4
7.	جناب سیف اللہ	4	4

جو ڈائریکٹرز بورڈ کے اجلاس میں شرکت نہ کر سکے بورڈ نے ان کو رخصت عنایت کی۔

حصص داری کا نمونہ

حصص داری کا نمونہ رپورٹ کے ساتھ منسلک ہے۔

کمپنی کے حصص میں تجارت

ڈائریکٹرز، CFO، کمپنی سیکریٹری اور ان کے اہلیان اور نابالغ بچوں نے سال کے دوران کمپنی کے حصص میں کسی بھی قسم کا لین دین نہیں کیا تھا۔

قرضوں میں نادہندگی، اگر کوئی ہے:

بنک کے واجبات کی ادائیگی کے لئے مذاکرات جاری ہیں اور ابھی تک کوئی مدت متعین نہیں ہوئی ہے۔

آڈیٹرز

میسرز ریاض احمد اینڈ کمپنی آڈیٹرز کی حیثیت سے ریٹائر ہو چکے ہیں اور اپنی دوبارہ تعیناتی کے لئے اپنی خدمات پیش کرنے کے قابل ہیں۔ کارپوریٹ گورننس کے ضابطہ کے تحت، آڈٹ کمیٹی نے آئندہ سال کے لئے میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی آڈیٹرز کے طور پر تعیناتی کی سفارش کی ہے۔

اعتراف

ڈائریکٹرز، حصص داران، بکلرز اور صارفین کی مسلسل حمایت اور تعاون کے شکر گزار ہیں۔ ہم یہ بھی یقینی بناتے ہیں کہ جس طرح انہوں نے کریڈنٹ چھوٹ پر اپنے اعتماد کا اظہار کیا ہے اس کو ہم قدر کی نگاہ سے دیکھتے ہیں اور ہم ان کی توقعات پر پورا اترنے کے لئے کوشاں ہیں۔

بورڈ کی جانب سے اور بورڈ کے لئے

Humayun Majeed

(ہمایوں مظہر)

چیف ایگزیکٹو آفیسر

لاہور: 27 ستمبر 2017ء

بنیادی آپریٹنگ اور مالی اعداد و شمار
کمپنی کے گذشتہ چھ سال کے بنیادی آپریٹنگ اور مالی اعداد و شمار کا خلاصہ ضمیمہ کے طور پر منسلک ہے۔

منافع منقسمہ
مسلل خسارہ کی وجہ سے کمپنی اپنے حصص داران کو منافع منقسمہ ادا کرنے اور اس کا اعلان کرنے سے قاصر تھی۔

قانونی ادائیگیاں
ایپیلوں پر واجبات کے علاوہ محمولات، بقایا واجبات، واجبات اور جرمانوں کی مد میں کوئی قانونی ادائیگی واجب الادا نہیں ہے۔

نمایاں منصوبے اور فیصلے
31 اکتوبر 2011ء کو منعقدہ سالانہ اجلاس عام میں حصص داران کی جانب سے منظور شدہ ایصالیت کے فقدان کی وجہ سے 2 مئی 2011ء سے ملز کے آپریشن رکے ہوئے ہیں اور اس کو باقاعدہ فروخت کرنے کا فیصلہ کیا گیا ہے تاکہ پلانٹ اور سامان کو کمپنی کے واجبات ادا کرنے کے لئے فروخت کیا جاسکے۔

بورڈ آف ڈائریکٹرز میں تبدیلیاں
کمپنی نے اپنے بورڈ میں 7 ڈائریکٹرز کو متعین کیا ہے۔ سال کے دوران نئے بورڈ کا انتخاب مندرجہ ذیل ہے:

سیریل نمبر	ڈائریکٹر کا نام
1.	محترمہ عابدہ مظہر
2.	محترمہ عائشہ خرم مظہر
3.	جناب ہمایوں مظہر
4.	جناب خرم مظہر کریم
5.	محترمہ مہرین ہمایوں
6.	سید رضا عباس جعفری
7.	جناب سیف اللہ

حالیہ بورڈ کے آفس کا دورانیہ 25 مارچ 2020ء تک ختم ہوگا۔

حصص داران کو ڈائریکٹروں کی رپورٹ

سال 2016ء کی اسی مدت کے 46.87 ملین روپے کے خسارہ کے مقابلہ میں 30 جون 2017 کو اختتام پذیر سال کے لئے کھاتوں میں 63.75 ملین روپے کا خسارہ دیکھنے میں آیا۔ خسارہ اگم ٹیکس اور سیلز ٹیکس، قابل واپسی بیعانہ، قرضہ کی لاگت اور کاروباری امور کے انتظام اور کمپنی کے اثاثہ جات کی دیکھ بھال کے لئے کم از کم عملہ کی ضرورت پر لاگت کی وجہ سے ہوا۔ انتظامیہ بورڈ آف ڈائریکٹرز اور حصص داران سے منظور شدہ محدود منصوبہ بندی کے عمل کو نافذ کرنے کا ارادہ رکھتی ہے۔

تاہم، مذکورہ بالا منصوبہ پر عمل درآمد میں تاخیر دیکھنے میں آرہی ہے۔ اس منصوبہ کے دو حصے تھے جیسا کہ اثاثہ جات کی فروخت اور مستقبل کا کاروباری منصوبہ۔ جہاں تک اثاثوں کی فروخت کا تعلق ہے اس میں نمایاں پیش قدمی کی گئی ہے جیسا کہ قائم اثاثوں کی فروخت سے اکثریتی رقوم کی وصولی ہو چکی ہے علاوہ اس کے 66.666 ملین روپے کی اراضی کی فروخت کے سلسلہ میں قسط جو کہ دسمبر 2017ء میں قابل وصول ہے۔ مزید یہ کہ یہ اثاثہ جات حصص داران کی منظور شدہ رقم کے مقابلہ میں نمایاں طور پر بہترین قدر پر فروخت کئے گئے ہیں۔

جہاں تک مستقبل کے منصوبہ کا تعلق ہے مالیاتی اداروں کے ساتھ واجبات اور اس پر کسی بھی قسم کے جرمانہ کا تصفیہ غیر یقینی تھا۔ اس وجہ سے اس میں پیش قدمی بہت سست تھی اور متعلقہ مالیاتی اداروں سے ابھی بھی مباحثہ جاری ہے۔ واجبات کی ادائیگی میں اس بے قاعدہ تاخیر نے نہ صرف ہمارے کاروباری منصوبہ پر عمل درآمد کو متاثر کیا اور بغیر کسی کاروباری سرگرمی کے اضافی آپریشنل لاگت کا باعث بھی بنی۔ چونکہ ہمارے قانونی ماہرین تمام تاخیری مقدمات کے موافق نتائج کے لئے پرامید ہیں لیکن اس کے وقت کا تعین کرنا بہت مشکل ہے۔ اس کو مد نظر رکھتے ہوئے کسی بھی قسم کے مستقبل کے امور پر عمل درآمد فنڈز پر جرمانہ کی ادائیگی اور مالیاتی اداروں کو تمام واجبات کی مکمل ادائیگی کے بعد ہی کیا جائے گا۔

اسی اثنا میں ہم کاسٹ کنٹرول پر توجہ مرکوز کئے ہوئے ہیں اور ہر ممکن تدبیر کی جارہی ہے کہ اخراجات کو کم سے کم سطح پر رکھا جائے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان

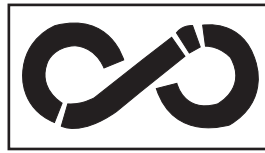
1. یہ مالی اسٹیٹمنٹ کمپنی کی انتظامیہ نے مرتب کی ہیں جس میں کمپنی کے امور، عمل درآمد کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کو بہتر انداز میں پیش کیا گیا ہے۔
2. کمپنی کی باقاعدہ اکاؤنٹ بکس مرتب کی گئی ہیں۔
3. مالی اسٹیٹمنٹ کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا تسلسل سے اطلاق کیا جاتا ہے اور اکاؤنٹنگ تخمینے مناسب اور قابل فیصلے کی بنیاد پر لگائے جاتے ہیں۔
4. مالیاتی اسٹیٹمنٹ کی تیاری میں بین الاقوامی اکاؤنٹنگ سٹینڈرڈ، جو پاکستان میں قابل عمل ہیں، کا نفاذ کیا جاتا ہے اور اس میں سے کسی بھی قسم کی منتقلی کو مناسب طریقہ سے ظاہر کیا جاتا ہے۔
5. انٹرنل کنٹرول کا نظام بہت اعلیٰ ہے اور اس پر موثر انداز میں عمل درآمد اور نگرانی کی جاتی ہے۔
6. لسٹنگ ریگولیشن میں بیان کردہ کارپوریٹ گورننس کی بہترین عمل داری کی مد میں کوئی ابہام نہیں ہے۔

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سالانہ رپورٹ

2017



کرلیسنٹ جیوٹ پروڈکٹس لمیٹڈ

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