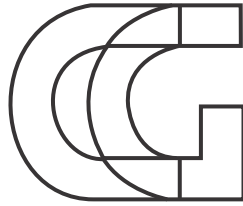


CRESCENT GROUP



# ANNUAL REPORT 2025



**CRESCENT JUTE PRODUCTS LIMITED**

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

|                                             |                                              |
|---------------------------------------------|----------------------------------------------|
| Mr. Humayun Mazhar<br>(In alphabetic order) | Chief Executive Officer - Executive Director |
| Mr. Muhammad Asif                           | Independent Director                         |
| Mrs. Neha Khurram Mazhar                    | Non-Executive Director                       |
| Mrs. Rijah Khurram Mazhar                   | Non-Executive Director                       |
| Mr. Shahbaz Mazhar Karim                    | Non-Executive Director                       |
| Mr. Shameel Mazhar                          | Non-Executive Director                       |
| Mrs. Zoya Mazhar                            | Non-Executive Director                       |

### AUDIT COMMITTEE

|                          |          |
|--------------------------|----------|
| Mr. Muhammad Asif        | Chairman |
| Mr. Shahbaz Mazhar Karim | Member   |
| Mr. Shameel Mazhar       | Member   |

### HUMAN RESOURCE & REMUNERATION COMMITTEE

|                           |          |
|---------------------------|----------|
| Mr. Shahbaz Mazhar Karim  | Chairman |
| Mr. Muhammad Asif         | Member   |
| Miss Rijah Khurram Mazhar | Member   |

### COMPANY SECRETARY / CFO

Mr. Tahir Hussain

### HEAD OF INTERNAL AUDIT

Mr. Mohid Maqbool

### AUDITORS

M/s Rizwan & Company  
Chartered Accountants Islamabad  
Name of Engagement Partner: Mr. Rashid Iqbal (FCA)

### LEGAL ADVISOR

Mr. Shahid Mahmood Baig  
Advocate High Court

### BANKERS

B.R.R. Guardian Modaraba  
MCB Bank Limited  
Dubai Islamic Bank  
Habib Metropolitan Bank Limited

### REGISTERED OFFICE

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

### SHARE REGISTRAR

Corptec Associates (Pvt.) Ltd.  
503-E, Johar Town, Lahore  
Tel : +92-42-35170336-7

## 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 Tuesday 28, 2025 at 10.00 AM. 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, 2025.
2. To appoint auditors and fix their remuneration.

### REGISTERED OFFICE:

1st Floor, 65-XX, Khayaban-e-Iqbal Road,  
Phase-III, DHA, Lahore,  
Telephone No. (042) 37186438-39,  
Dated: September 30, 2025.

BY ORDER OF THE BOARD



Company Secretary

### Notes:

1. The Members' Register will remain closed from October 21, 2025 to October 28, 2025 (both days inclusive). Transfer received at the Registered Office of the Company by the close of business on October 20, 2025.
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 NIC numbers shall be mentioned on the form.
- iii) Attested copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his original NIC or original passport at the time of the Meeting.
- v) In case of 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.

## CHAIRMAN'S REVIEW REPORT

It provide me great pleasure to present you the Annual Report of Crescent Jute Products Limited (The Company) ,for the year ended on 30 June 2025 pertaining to the overall performance of the Board and the effectiveness of its role in attaining the Company's aim and objectives. Our Board of Directors remained exclusively on the plan to proceed further with the closure plan, as approved by the Board of Directors and its shareholders.

### MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the year to approve annual/quarterly/half yearly accounts and to discuss the salient features.

### CONSTITUTION OF BOARD OF DIRECTORS

Board of director's consisting of 7 directors, including 4 males and 3 females.

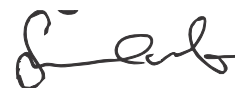
### INVESTOR AWARENESS

Efforts are being made to get settled of our legal cases as early as possible.

### ACKNOWLEDGMENT

In the end I would like to express my gratitude to the Board as well as the management of the Company for their dedication and efforts to carry out the agreed plan as approved by the shareholders.

Chairman of the Board



**Shameel Mazhar**

Dated:- September 30, 2025

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Accounts for the year ended June 30 2025 show a loss of Rupees 7.41 million as compared to the loss of Rupees 7.38 million in the corresponding period in 2024, while the loss per share is Rupees 0.31 as compared to last year's loss per share of Rupees 0.31. This loss is grossly attributed to maintain the cost of minimum staff required for the managing the corporate and financial affairs of the company and professional fee paid to lawyers on account of our ongoing cases with financial institutions.

The management is in the process of implementing the closure plan approved by the BOD and Shareholders. There were two parts to this plan i.e., Disposal of Assets and Future Business plan. As far as the Disposal of Assets is concerned, all the payments against the disposal of assets have been received.

After the settlement of the Bank of Punjab's liability sufficient surplus funds were not available, therefore, the future business plan as approved by the shareholders in their meeting held in October 2011 cannot be implemented.

Furthermore, we are still in litigation with the concerned financial institutions over their claims, although, our legal counsellors have their optimistic view for a favourable outcome in all our cases under litigation process. In view of the same, the management is exploring various options for alternate funding to pay the balance of outstanding liabilities, and implementing of the business plan from any surplus funds. Currently, the company does not have funds for the future business plan and if a possibility comes up, we will put it up for approval to the Shareholders.

In the meanwhile, we remained focused on cost controls and every possible effort is being made to curtail it, and keep the expenses to the 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 account of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure therefrom 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 except for the instances mentioned in the review report issued by our auditors.

### **KEY OPERATING AND FINANCIAL DATA**

Key operating and financial data of the Company for the last six years in a 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 an annual general meeting held on October 31, 2011 and decided to dispose of property, plant and equipment of the Company to pay off liabilities, which had been ultimately sold.

## CHANGES IN THE BOARD OF DIRECTOR

Mrs. Neha Khurram Mazhar, Mr. Shahbaz Mazhar Karim and Mrs. Zoya Mazhar co-opted directors in place of Mr. Khurram Mazhar Karim, Mr. Shahjahan Mazhar Karim and Mr. Shehryar Mazhar moreover Mr. Shameel Mazhar was appointed as chairman of the board in place of Mr. Khurram Mazhar Karim, while Mr. Shahbaz Mazhar Karim and Mr. Shameel Mazhar are appointed as member of Audit Committee in place of Mr. Shahjahan Mazhar Karim and Mr. Shehryar Mazhar.

Male: 04  
 Female: 03

### The Composition is given hereunder:

Non-executive directors: 02  
 Independent Director: 01  
 Female non-executive director: 03  
 Executive Director: 01

Names of directors along with the categorization are given hereunder:

| S.No. | Name of Director          |                                             |
|-------|---------------------------|---------------------------------------------|
| 1.    | Mr. Shahbaz Mazhar Karim  | Non-Executive Director-Chairman             |
| 2.    | Mr. Humayun Mazhar        | Chief Executive Officer -Executive Director |
| 3.    | Mrs. Zoya Mazhar          | Non-Executive Director                      |
| 4.    | Mr. Shameel Mazhar        | Non-Executive Director                      |
| 5.    | Mr. Muhammad Asif         | Independent Director                        |
| 6.    | Mrs. Neha Khurram Mazhar  | Non-Executive Director                      |
| 7.    | Miss Rijah Khurram Mazhar | Non-Executive Director                      |

Election of Directors was held on March 25, 2023 and the term of office of the present Board will be expired on March 25, 2026.

The composition of Audit Committee is as follows:

1. Mr. Muhammad Asif
2. Mrs. Zoya Mazhar
3. Mr. Shahbaz Mazhar Karim



The composition of the Human Resource and Remuneration Committee is as follows:

1. Mr. Shahbaz Mazhar Karim
2. Mr. Muhammad Asif
3. Miss Rijah Khurram Mazhar

#### **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:

| <b>Name of Director in alphabetic order</b> | <b>Meetings held in their tenure</b> | <b>No. of Meetings attended</b> |
|---------------------------------------------|--------------------------------------|---------------------------------|
| 1. Mr. Humayun Mazhar                       | 4                                    | 4                               |
| 2. Mr. Khurram Mazhar Karim                 | 4                                    | 4                               |
| 3. Mr. Shehryar Mazhar                      | 4                                    | 0                               |
| 4. Mr. Shameel Mazhar                       | 4                                    | 3                               |
| 5. Mr. Shahjahan Mazhar Karim               | 4                                    | 4                               |
| 6. Mrs. Rijah Khurram Mazhar                | 4                                    | 0                               |
| 7. Mr. Muhammad Asif                        | 4                                    | 4                               |
| 8. Mrs. Neha Khurram Mazhar                 | 0                                    | 0                               |
| 9. Mr. Shahbaz Mazhar Karim                 | 0                                    | 0                               |
| 10. Mrs. Zoya Mazhar                        | 0                                    | 0                               |

A meeting fee is provided to each member for attending each meeting of the BOD / Audit Committee. Detail is given in Note 23 to the financial statements.

#### **PATTERN OF SHAREHOLDING**

The 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**

The liability of Bank of Punjab has been settled, Guardian Modaraba is still going on, so far, no terms of the settlement have been finalized with it.

### **AUDITORS**

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

### **ACKNOWLEDGEMENT**

The directors thank the Shareholders, Bankers and Customers for their continued patronage, understanding and cooperation. 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 30, 2025

## KEY OPERATING AND FINANCIAL DATA OF SIX YEARS

Year ending 30th June

2025      2024      2023      2022      2021      2020      2019

### PRODUCTION CAPACITY BASED ON SHIFT WORKING IN METRIC TONS

| Jute Unit | Operation closed | Operation closed | Operation closed | Operation closed | Operation closed | Operation closed | Operation closed |
|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

### ACTUAL PRODUCTION IN METRIC TONS

| Jute Unit | Operation closed | Operation closed | Operation closed | Operation closed | Operation closed | Operation closed | Operation closed |
|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|-----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

### OPERATING RESULTS - RUPEES IN 000

|                                   |               |                |                |               |               |                 |                 |
|-----------------------------------|---------------|----------------|----------------|---------------|---------------|-----------------|-----------------|
| Net Sales                         | -             | -              | -              | -             | -             | -               | -               |
| Cost of Sales                     | -             | -              | -              | -             | -             | -               | -               |
| Operating Expenses                | 8507          | 7382           | 9,821          | 11,546        | 11,317        | 17,433          | 48,712          |
| Other Income                      | (1106)        | (18)           | (801)          | (65,513)      | (81,317)      | (209)           | (38,144)        |
| Financial Charges                 | 9             | 10             | 34             | 2,541         | 2,541         | 2,544           | 2,541           |
| Taxation                          | -             | 8              | 107            | 210           | 11,631        | -               | 1               |
| <b>Net Income / (Loss)</b>        | <b>(7410)</b> | <b>(7,382)</b> | <b>(9,161)</b> | <b>51,216</b> | <b>55,828</b> | <b>(19,768)</b> | <b>(13,110)</b> |
| <b>Earning per share - Rupees</b> | <b>(0.31)</b> | <b>(0.31)</b>  | <b>(0.39)</b>  | <b>2.16</b>   | <b>2.35</b>   | <b>(0.83)</b>   | <b>(0.55)</b>   |
| <b>Break up value of share</b>    | <b>(8.56)</b> | <b>(8.25)</b>  | <b>(7.94)</b>  | <b>(7.55)</b> | <b>(9.71)</b> | <b>(12.05)</b>  | <b>(11.22)</b>  |

### FINANCIAL POSITION - RUPEES IN 000

|                                  |             |              |              |               |               |                |                |
|----------------------------------|-------------|--------------|--------------|---------------|---------------|----------------|----------------|
| Shareholders Equity              | (203379)    | (195,969)    | (188,586)    | (179,425)     | (230,640)     | (286,468)      | (266,565)      |
| Trade and other payables         | 17244       | 9690         | 1,915        | 7,750         | 12,778        | 10,369         | 11,452         |
| Unclaimed dividend               | 337         | 337          | 337          | 337           | 337           | 337            | 337            |
| Accrued mark-up                  | 79864       | 79864        | 79,864       | 79,864        | 141,078       | 138,546        | 171,318        |
| Borrowings                       | 110106      | 110106       | 110,766      | 111,494       | 123,750       | 262,983        | 276,697        |
| Provision for taxation           | -           | 121          | 107          | 206           | 11,632        | 1              | 1              |
|                                  | <b>4172</b> | <b>4,149</b> | <b>4,403</b> | <b>20,227</b> | <b>58,935</b> | <b>125,768</b> | <b>193,240</b> |
| Cash and bank balances           | 1546        | 51           | 110          | 14,957        | 66            | 113            | 314            |
| Short Term Investments           | 167         | 1713         | 1,736        | 2,609         | 3,068         | 2,670          | 2,597          |
| Other receivables                | 615         | 263          | 242          | 149           | 41,610        | -              | 66,673         |
| Prepayments                      | 8           | -            | 14           | 11            | 11            | 15             | 19             |
| Loans and advances               | 158         | 273          | 259          | 241           | 11,671        | 70             | 270            |
| Non current Assets held for sale | -           | -            | -            | -             | -             | -              | -              |
| Long Term Security deposits      | 38          | 38           | 38           | 38            | 38            | 120,038        | 120,038        |
| Property, plant and equipment    | 1640        | 1811         | 2,004        | 2,222         | 2,470         | 2,862          | 3,194          |
| Long term investment             | -           | -            | -            | -             | -             | -              | 135            |
|                                  | <b>4172</b> | <b>4149</b>  | <b>4,403</b> | <b>20,227</b> | <b>58,935</b> | <b>125,768</b> | <b>193,240</b> |
|                                  |             |              | 1            | (0)           | (0)           | 1              | 1              |

**The Companies ACT, 2017**  
**The Companies (General Provisions and Forms) Regulations,**  
**2018[Section 227(2)(f)]**

**Pattern of Shareholding**

**Form - 20**

1.1 Name of The Company

| <b>PART -I</b>                        |
|---------------------------------------|
| <b>Crescent Jute Products Limited</b> |
| <b>PART -II</b>                       |

2.1 Pattern of Holding of the Shares held by the Shareholders as at :June 30, 2025

| 2.2 No. of Shareholders | Shareholding |         | Total Shares held |
|-------------------------|--------------|---------|-------------------|
|                         | From         | To      |                   |
| 677                     | 1            | 100     | 21,195            |
| 566                     | 101          | 500     | 162,186           |
| 255                     | 501          | 1,000   | 204,273           |
| 347                     | 1,001        | 5,000   | 961,512           |
| 126                     | 5,001        | 10,000  | 999,761           |
| 47                      | 10,001       | 15,000  | 591,428           |
| 30                      | 15,001       | 20,000  | 542,013           |
| 20                      | 20,001       | 25,000  | 473,184           |
| 15                      | 25,001       | 30,000  | 416,180           |
| 14                      | 30,001       | 35,000  | 447,607           |
| 4                       | 35,001       | 40,000  | 148,931           |
| 5                       | 40,001       | 45,000  | 215,510           |
| 6                       | 45,001       | 50,000  | 284,526           |
| 3                       | 50,001       | 55,000  | 156,162           |
| 1                       | 55,001       | 60,000  | 57,500            |
| 2                       | 60,001       | 65,000  | 127,587           |
| 2                       | 65,001       | 70,000  | 133,323           |
| 5                       | 70,001       | 75,000  | 357,258           |
| 1                       | 75,001       | 80,000  | 80,000            |
| 2                       | 80,001       | 85,000  | 167,822           |
| 2                       | 95,001       | 100,000 | 200,000           |
| 1                       | 110,001      | 115,000 | 113,000           |
| 1                       | 130,001      | 135,000 | 131,237           |
| 1                       | 135,001      | 140,000 | 136,113           |

| No. of Shareholders | Shareholding |           | Total Shares held |
|---------------------|--------------|-----------|-------------------|
|                     | From         | To        |                   |
| 1                   | 150,001      | 155,000   | 152,070           |
| 1                   | 155,001      | 160,000   | 157,314           |
| 1                   | 185,001      | 190,000   | 187,200           |
| 1                   | 190,001      | 195,000   | 192,475           |
| 2                   | 200,001      | 205,000   | 405,087           |
| 1                   | 295,001      | 300,000   | 300,000           |
| 1                   | 370,001      | 375,000   | 373,925           |
| 1                   | 430,001      | 435,000   | 430,923           |
| 1                   | 450,001      | 455,000   | 450,459           |
| 1                   | 620,001      | 625,000   | 622,489           |
| 1                   | 1,385,001    | 1,390,000 | 1,386,218         |
| 1                   | 1,525,001    | 1,530,000 | 1,530,000         |
| 1                   | 2,735,001    | 2,740,000 | 2,738,487         |
| 1                   | 3,845,001    | 3,850,000 | 3,848,013         |
| 1                   | 3,860,001    | 3,865,000 | 3,860,500         |
| <b>2,149</b>        |              |           | <b>23,763,468</b> |

Crescent Jute Products Limited

As On: June 30, 2025

| 2.3 Categories of Shareholder                           | Folios       | Physical          | CDC               | Share held        | Percentage    |
|---------------------------------------------------------|--------------|-------------------|-------------------|-------------------|---------------|
| 2.3.1 - Directors, CEO, Their Spouse and Minor Childern | 3            | 3,895,497         | -                 | 3,895,497         | 16.39         |
| 2.3.3 - NIT & ICP                                       | 2            | 400               | 1,386,218         | 1,386,618         | 5.84          |
| 2.3.4 - Banks, DFIs, NBFCs                              | 19           | 830,889           | 836               | 831,725           | 3.50          |
| 2.3.5 - Insurance Companies                             | 5            | 35,795            | 157,314           | 193,109           | 0.81          |
| 2.3.6 - Modarabas and Mutual Funds                      | 4            | 46,453            | -                 | 46,453            | 0.20          |
| 2.3.8 - A. General Public (Local)                       | 2,357        | 6,437,192         | 10,404,552        | 16,841,744        | 70.87         |
| 2.3.9 - A. Other Companies (Local)                      | 24           | 233,800           | 334,522           | 568,322           | 2.39          |
|                                                         | <b>2,414</b> | <b>11,480,026</b> | <b>12,283,442</b> | <b>23,763,468</b> | <b>100.00</b> |

| Shareholders More Than 10.00% |   |           |       |
|-------------------------------|---|-----------|-------|
| Mr. Khurram Mazhar Karim      | 1 | 3,860,500 | 16.25 |
| Mr. Humayun Mazhar            | 1 | 3,848,013 | 16.19 |

## Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

**Name of Company:** Crescent Jute Products Limited  
**Year ended:** June 30, 2025

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are eight (7) as per the following:

- |            |   |
|------------|---|
| a. Male:   | 4 |
| b. Female: | 3 |

2. The composition of the Board is as follows:

| Category                | Names                                                                                                                       |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Independent Directors   | Mr. Muhammad Asif                                                                                                           |
| Non-Executive Directors | Miss. Rija Khurram Mazhar<br>Mr. Shameel Mazhar<br>Mrs. Zoya Mazhar<br>Mrs. Neha Khurram Mazhar<br>Mr. Shahbaz Mazhar Karim |
| Executive Directors     | Mr. Hamayun Mazhar (Chief Executive Officer)                                                                                |

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company;
4. 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;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;

9. The Independent Director has duly submitted his consent to act as an independent director to the company, and this declaration has been submitted to the chairman of the Board.
10. The Chairman and the chief executive officer of the company is not the same person.
11. The Board has arranged Directors' Training program for its directors in this financial year. Moreover, following Directors meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' training program:

**Names of Directors**

Mr. Humayun Mazhar

Mr. Muhammad Asif

12. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. However, the Company Secretary and the Chief Financial Officer is the same person. Explanation has been given at serial number 4 of paragraph 21 below;
13. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
14. The Board has formed committees comprising of members given below:

**a) Audit Committee**

| <b>Names</b>             | <b>Designation held</b> |
|--------------------------|-------------------------|
| Mr. Muhammad Asif        | Chairman                |
| Mr. Shahbaz Mazhar Karim | Member                  |

**b) HR Resource and Remuneration Committee**

| <b>Names</b>              | <b>Designation held</b> |
|---------------------------|-------------------------|
| Mr. Shahbaz Mazhar Karim  | Chairman                |
| Mr. Muhammad Asif         | Member                  |
| Miss Rijah Khurram Mazhar | Member                  |

15. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
16. The frequency of meetings of the committee were as per following:

**a) Audit Committee**

Four meetings of Audit Committee were held during the financial year ended June 30, 2025.

**b) Human Resource and Remuneration Committee**

No meeting of Human Resource and Remuneration Committee was held during the financial year ended June 30, 2025.

**a) Risk Management Committee**

No meeting of Risk Management Committee was held during the financial year ended June 30, 2025.

17. The board has set up an internal audit function by appointing Head of Internal Audit who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company in compliance with the regulations.
18. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
20. We confirm that all requirements of regulations 3, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with, except for the requirements of regulation 6, against which compliance will be made in due course and explanation for which has been given at serial no.1 of paragraph 21 below;
21. Explanations for non-compliance with requirements, other than regulations 3, 7, 8, 27, 32, 33 and 36 are below:

| Sr. No. | Requirement                                                                                                                                                                                                                                                        | Explanation of Non-Compliance                                                                                                                                                                                                                                          | Regulation Number |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1.      | <b>Independent Directors:</b><br><br>There is only one independent director on the Board of Directors of the company as reflected in the composition of the Board. The independent directors should be two or one third members of the Board, whichever is higher. | Due to closure of operations of the company since May 2011, no one is willing to act as independent director of the company. Also see paragraph 22 below.                                                                                                              | 6 (1)             |
| 2.      | <b>Audit Committee:</b><br><br>The Board shall establish an audit committee of at least three members comprising of non-executive directors and at least one independent director. Currently as at 30-June-2025 the audit committee consist of two members         | Mr. Shahjahan Mazhar tendered his resignation on June 19, 2025. Consequently, the resulting casual vacancy on the Board has not yet been filled; however, the company is in the process of ensuring compliance and intends to appoint a new member in the near future. | 27 1 (i)          |



| Sr. No. | Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Explanation of Non-Compliance                                                                                                                                                                                                                               | Regulation Number |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 3.      | <b>Responsibilities of BOD and its members:</b><br><br>The board of directors is responsible for the governance of risk and for determining the company's level of risk tolerance by establishing risk management policies. The board shall undertake at least annually, an overall review of business risks to ensure that the management maintains a sound system of risk identification, risk management and related systemic and internal controls to safeguard assets, resources, reputation and interest of the Company and shareholders. | Operations of the Company have been closed since 2011, and all the assets of the Company have been sold. Risk management policies will be established after implementation of new Business plan upon settlement of liabilities with financial institutions. |                   |
| 4.      | <b>Company Secretary:</b><br><br>Company Secretary and Chief Financial Officer is the same person. However, the same person shall not simultaneously hold office of chief financial officer and the company secretary of a listed company.                                                                                                                                                                                                                                                                                                      | Operations of the Company have been closed since 2011, and all the assets of the Company have been sold. Due to cost reduction measures Company Secretary and Chief Financial Officer is the same person.                                                   | 24                |
| 5.      | <b>Nomination Committee:</b><br><br>The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances .                                                                                                                                                                                                                                                                                                                             | Due to closed operations of the Company and limited staff board has not constituted nomination Committee separately.                                                                                                                                        | 29                |
| 6.      | <b>Risk Management Committee:</b><br><br>The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.                                                                                                                                                                                                                                                | Due to closed operations of the Company and limited staff board has not constituted Risk Management Committee. The Board shall consider to constitute a nomination committee in the near future.                                                            | 30                |
| 7.      | <b>Representation of Minority shareholders:</b><br><br>The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.                                                                                                                                                                                                                                                                                                                                                                | No one intended to contest election as director representing minority shareholders.                                                                                                                                                                         | 5                 |

| Sr. No. | Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Explanation of Non-Compliance                                                                                                                                                                                                                                       | Regulation Number |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 8.      | <b>Role of the Board and its members to address Sustainability Risks and Opportunities</b><br><br>The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.                                                                                                                                                                                                                       | Securities and Exchange Commission of Pakistan (SECP) introduced new regulation 10A in the Regulations on 12 June 2024. Currently, the management is still assessing this amendment and compliance thereof, as applicable, will be performed in due course of time. | 10(A)             |
| 9.      | <b>Significant policies</b><br><br>The Board is required to approve anti-harassment policy to safeguard the rights and well-being of employees.                                                                                                                                                                                                                                                                                                                                                                                                            | Securities and Exchange Commission of Pakistan (SECP) amended regulation 10 of the Regulations on 12 June 2024. Currently, the management is still assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.         | 10(4)(xvi)        |
| 10.     | <b>Directors' Training</b><br><br>It is encouraged that by 30 June 2025 all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.<br><br>Requirement to arrange Directors' training program for at least one female executive every year from year July 2020; and Requirement to arrange Directors' training program for at least one head of department every year from year July 2022; | Three directors of the company are exempt from Directors' training program. However the company has not arranged training this year. The Company strives to follow best practices and will be arranging the said training in due course of time.;                   | 19(1) & (3)       |
| 11.     | <b>Disclosure of significant policies on website:</b><br><br>The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's                                                                                                                                                                                                                                                                                                                                                                            | We have uploaded code of conduct, along with TOR of Human Resource and Remuneration Committee on our website. However, as company is not carrying on any business and working with minimum employees therefore,                                                     |                   |

| Sr. No. | Requirement                                                                       | Explanation of Non-Compliance                                                                                                                                                                                                                                                                                                                                                                                       | Regulation Number |
|---------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
|         | committees on its website and key elements of the directors' remuneration policy. | while acknowledging their significance, other policies like risk management policies, whistle blowing policies, communication and disclosure policies and corporate social responsibility /sustainability / environmental, social and governance related policies, policies to promote diversity, equity and inclusion (DE&I) and protection against harassment at the workplace, etc. are not uploaded on website. |                   |

22. The one elected independent director has requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a second independent director is not warranted.

For and on behalf of the Board



**Humayun Mazhar**  
Chief Executive Officer

**Lahore**

Dated: September 30, 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT

### To the members of Crescent Jute Products Limited Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Crescent Jute Products Limited** (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

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.

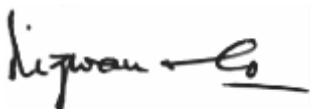
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

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 requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2025.

We highlight below the instances of non-compliance with the mandatory requirements of the Regulations as reflected in paragraph 20 of the Statement of Compliance:

- There is only one independent director on the Board of Directors of the Company as reflected in the composition of the Board. The independent directors should be two or one third members of the Board, whichever is higher as required by Regulation 6(1) of the Regulations.
- There are only two members in the audit committee as reflected in the composition of audit committee. The Board shall establish an audit committee of at least three members comprising of non-executive directors and at least one independent director as required by regulation 27 (1) of the Regulations.

Further, as required by Regulation 24 of the Regulations same person shall not simultaneously hold the office of the Company Secretary and the Chief Financial Officer of a listed company. As reflected in paragraph 12 and explanation given at serial number 4 of paragraph 21 of the statement of compliance the Company Secretary and the Chief Financial Officer is the same person.



**RIZWAN & COMPANY**

Chartered Accountants

UDIN: CR202510101MTB6W5xqS

Islamabad : September 30, 2025

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Crescent Jute Products Limited

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the annexed financial statements of **CRESCENT JUTE PRODUCTS LIMITED**, which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, 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 the audit.

Except for the effects of the matter described in the Basis for Qualified Opinion section of our report, in our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2025 and of the loss, total comprehensive loss, the changes in equity and its cash flows for the year then ended.

#### Basis for Qualified Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion and after due verification we report that:

- a) The company has obtained a loan amounting to Rs 18.083 million from Innovative Investment Bank Limited as per the terms and conditions as fully explained in note 7.3 to the financial statement. The Company had been regularly accruing mark up on outstanding loan till the financial year ended June 30, 2022. However, no provision for accrued mark-up of Rs. 2.532 million has been made during the year ended June 30, 2023, June 30, 2024 and June 30, 2025 in the respective financial statements. Had the company made provision for accrued mark up of Rs.2.532 million in the financial statements for the year ended June 30, 2023, June 30, 2024 and June 30, 2025, the loss after tax for the year ended June 30, 2023, June 30, 2024 and June 30, 2025 would have been higher and the negative equity as on June 30, 2023, June 30, 2024 and June 30, 2025 would also have been higher by the amount of the accrued markup respectively.

#### Emphasis of Matter

Without further qualifying our opinion we draw attention to the following matters:

- a) As stated in Note 1.3 to the financial statements, the Company is no longer a going concerns, therefore, these financial statements have been prepared on the basis of estimated realizable / settlement values of assets and liabilities respectively.
- b) As stated in Note 7.3 to these financial statements, the Company has not charged further mark-up on the borrowings as per the advice of legal counsel.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon we do not provide a separate opinion on these matters. Following are the key audit matter(s):

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>a) Contingencies and Company's exposure to litigation risk</b></p> <p>In our judgment, the Company has significant litigation cases and other contingencies, details of which are disclosed in notes 1 &amp; 8 to the accompanying financial statements.</p> <p>Given the nature and amounts involved in such cases and contingencies, and the appellate forums at which these are pending, the ultimate outcome and the resultant accounting in the financial statements is subject to significant judgment, which can change over time as new facts emerge and each legal case progresses and the contingency crystallizes, and therefore, we have identified this as key audit matter</p>                                     | <p>Our audit procedures amongst others, included the following:</p> <ul style="list-style-type: none"> <li>- We obtained confirmations from legal advisors for current status on pending previous cases and any new cases filed during the year and assessing the advice given;</li> <li>- Checked orders by relevant authorities on previous lawsuits / cases appearing in the financial statements;</li> <li>- Reading correspondence of the Company with regulatory departments and the Company's external counsel, where available;</li> <li>- Discussing open matters and developments with the management of the Company.</li> </ul> <p>We evaluated that appropriate disclosures and presentation have been made in these financial statements..</p> |
| <p><b>b) Non-going concern basis of accounting</b> (notes 1.1, 2(a), 2(b) &amp; 2(d) to the financial statements).</p> <p>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 also taking into account the advice of the legal counsel and asset sale agreement between the Company and third party. Estimation involves judgments based on the latest available, reliable information, historical experience and other factors, including expectations of future events that are believed to</p> | <p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>- We checked compliance with "Guideline on the Basis of Preparation of Financial Statements for Companies that are Not Considered Going Concern" issued by The Institute of Chartered Accountants of Pakistan.</li> <li>- We tested how management made the estimate of realizable / settlement values of assets and liabilities respectively and the data on which it is based.</li> <li>- We tested the operating effectiveness of the controls over how the management made the estimate, together with appropriate substantive procedures.</li> </ul>                                                                                                   |

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>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 the financial statements.</p> <p>Therefore, we identified preparation of financial statements using the non-going concern basis of accounting as a key audit matter specially with reference to the estimates and judgments associated with the determination of estimated realizable / settlement values of assets and liabilities respectively.</p> | <ul style="list-style-type: none"> <li>- We considered events occurring up to the date of our report to obtain audit evidence regarding the estimate.</li> </ul> <p>We confirmed that any upsides in the carrying amounts of assets have been properly calculated and adequately disclosed in the financial statements and not recognized in the statement of profit or loss.</p> |

### Information other than the Financial Statements and Auditors Report thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Company and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our



opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

- based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

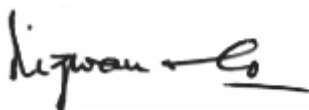
Based on our audit, we further report that in our opinion:

- a) except for the effects of the matter described in the Basis for Qualified Opinion section of our report, proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);



- b) except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Rashid Iqbal (FCA)**.



**RIZWAN & COMPANY**

Chartered Accountants

UDIN: AR202510101XQBVPBM2U

**Islamabad** : September 30, 2025

# **STATEMENT OF FINANCIAL POSITION 2025**

## STATEMENT OF FINANCIAL POSITION

|                                                                 |       | 2025          | 2024          |
|-----------------------------------------------------------------|-------|---------------|---------------|
| EQUITY AND LIABILITIES                                          | NOTES | RUPEES        |               |
| SHARE CAPITAL AND RESERVES                                      |       |               |               |
| Authorized share capital                                        |       |               |               |
| 30,000,000 (2024: 30,000,000) ordinary shares of Rupees 10 each |       | 300,000,000   | 300,000,000   |
| Issued, subscribed and paid up share capital                    | 4     | 237,634,680   | 237,634,680   |
| Capital reserves                                                | 5     | 35,633,084    | 35,633,084    |
| Accumulated loss                                                |       | (476,647,050) | (469,236,822) |
| TOTAL EQUITY                                                    |       | (203,379,286) | (195,969,058) |
| NON-CURRENT LIABILITIES                                         |       |               |               |
|                                                                 |       | -             | -             |
| CURRENT LIABILITIES                                             |       |               |               |
| Accrued liabilities and other payables                          | 6     | 17,243,515    | 9,690,099     |
| Accrued mark-up                                                 |       | 79,864,414    | 79,864,414    |
| Borrowings                                                      | 7     | 110,106,234   | 110,106,234   |
| Unclaimed dividend                                              |       | 337,312       | 337,312       |
| Taxation                                                        | 20    | -             | 120,571       |
| TOTAL LIABILITIES                                               |       | 207,551,475   | 200,118,630   |
| CONTINGENCIES AND COMMITMENTS                                   | 8     | -             | -             |
| TOTAL EQUITY AND LIABILITIES                                    |       |               |               |
|                                                                 |       | 4,172,189     | 4,149,572     |

The annexed notes from 1 to 31 form an integral part of these financial statements.

  
 Humayun Mazhar  
 Chief Executive Officer

**AS AT 30 JUNE, 2025**

|                           | NOTES | 2025<br>RUPEES          | 2024                    |
|---------------------------|-------|-------------------------|-------------------------|
| <b>ASSETS</b>             |       |                         |                         |
| <b>NON-CURRENT ASSETS</b> |       |                         |                         |
| Operating fixed assets    | 9     | 1,640,436               | 1,811,132               |
| Long term investments     | 10    | -                       | -                       |
|                           |       | <u>1,640,436</u>        | <u>1,811,132</u>        |
| <b>CURRENT ASSETS</b>     |       |                         |                         |
| Advance income tax        | 11    | 158,175                 | 273,151                 |
| Security deposits         |       | 37,500                  | 37,500                  |
| Prepayments               |       | 7,500                   | -                       |
| Other receivables         | 12    | 614,521                 | 263,410                 |
| Short term investments    | 13    | 166,787                 | 1,713,404               |
| Bank balances             | 14    | 1,547,270               | 50,975                  |
|                           |       | <u>2,531,753</u>        | <u>2,338,440</u>        |
| <b>TOTAL ASSETS</b>       |       | <u><u>4,172,189</u></u> | <u><u>4,149,572</u></u> |

The annexed notes from 1 to 31 form an integral part of these financial statements.


  
**Shameel Mazhar**  
 Director


  
**Tahir Hussain**  
 Chief Financial Officer

## STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2025

|                                             | NOTE | 2025<br>RUPEES     | 2024               |
|---------------------------------------------|------|--------------------|--------------------|
| Other Income                                | 15   | 1,140,702          | 40,190             |
| Administrative expenses                     | 16   | (8,507,007)        | (7,382,090)        |
| Other expenses                              | 17   | (34,702)           | (22,640)           |
| Finance cost                                | 18   | (9,222)            | (10,450)           |
| <b>(Loss) before levies and tax</b>         |      | <b>(7,410,229)</b> | <b>(7,374,990)</b> |
| Levies                                      | 19   | -                  | (401)              |
| <b>(Loss) before tax</b>                    |      | <b>(7,410,229)</b> | <b>(7,375,391)</b> |
| Taxation                                    | 20   | -                  | (7,275)            |
| <b>(Loss) after taxation</b>                |      | <b>(7,410,229)</b> | <b>(7,382,666)</b> |
| <b>(Loss) per share - basic and diluted</b> | 21   | <b>(0.31)</b>      | <b>(0.31)</b>      |

The annexed notes from 1 to 31 form an integral part of these financial statements.

  
 Humayun Mazhar  
 Chief Executive Officer

  
 Shameel Mazhar  
 Director

  
 Tahir Hussain  
 Chief Financial Officer

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

|                                                                                                 | 2025               | 2024               |
|-------------------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                                 | RUPEES             |                    |
| <b>(LOSS) AFTER TAXATION</b>                                                                    | <b>(7,410,229)</b> | <b>(7,382,666)</b> |
| COMPREHENSIVE INCOME                                                                            |                    |                    |
| <b>Items that will not be reclassified subsequently to profit or loss</b>                       |                    |                    |
| Deficit arising on remeasurement of investment at fair value through other comprehensive income | -                  | -                  |
| <b>Items that may be reclassified subsequently to profit or loss</b>                            |                    |                    |
| Other comprehensive income for the year                                                         | -                  | -                  |
| <b>TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR</b>                                                  | <b>(7,410,229)</b> | <b>(7,382,666)</b> |

The annexed notes from 1 to 31 form an integral part of these financial statements.

  
**Humayun Mazhar**  
 Chief Executive Officer

  
**Shameel Mazhar**  
 Director

  
**Tahir Hussain**  
 Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2025

|                                            | SHARE<br>CAPITAL | CAPITAL RESERVES |                                                   |            | Accumulated<br>loss | TOTAL<br>EQUITY |
|--------------------------------------------|------------------|------------------|---------------------------------------------------|------------|---------------------|-----------------|
|                                            |                  | Share<br>premium | Fair value<br>reserve on<br>FVTOCI<br>investments | Sub total  |                     |                 |
| ----- (RUPEES) -----                       |                  |                  |                                                   |            |                     |                 |
| Balance as at<br>30 June 2023              | 237,634,680      | 35,767,584       | (134,500)                                         | 35,633,084 | (461,854,156)       | (188,586,391)   |
| Profit for the year                        | -                | -                | -                                                 | -          | (7,382,666)         | (7,382,666)     |
| Other comprehensive<br>Income for the year | -                | -                | -                                                 | -          | -                   | -               |
| Total comprehensive<br>loss for the year   | -                | -                | -                                                 | -          | (7,382,666)         | (7,382,666)     |
| Balance as at<br>30 June 2024              | 237,634,680      | 35,767,584       | (134,500)                                         | 35,633,084 | (469,236,822)       | (195,969,057)   |
| Loss for the year                          | -                | -                | -                                                 | -          | (7,410,229)         | (7,410,229)     |
| Other comprehensive<br>income for the year | -                | -                | -                                                 | -          | -                   | -               |
| Total comprehensive<br>loss for the year   | -                | -                | -                                                 | -          | (7,410,229)         | (7,410,229)     |
| Balance as at<br>30 June 2025              | 237,634,680      | 35,767,584       | (134,500)                                         | 35,633,084 | (476,647,050)       | (203,379,286)   |

The annexed notes from 1 to 31 form an integral part of these financial statements.

  
**Humayun Mazhar**  
 Chief Executive Officer

  
**Shameel Mazhar**  
 Director

  
**Tahir Hussain**  
 Chief Financial Officer

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

|                                                               | NOTE | 2025<br>RUPEES     | 2024            |
|---------------------------------------------------------------|------|--------------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |      |                    |                 |
| Cash generated from operations                                | 22   | (1,141,504)        | (81,410)        |
| Finance cost paid                                             | 18   | (9,222)            | (10,450)        |
| Income tax paid                                               |      | (5,595)            | (7,679)         |
| <b>Net cash (used in) from operating activities</b>           |      | <b>(1,156,321)</b> | <b>(99,539)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |      |                    |                 |
| Proceeds from sale of shares                                  |      | 2,627,597          | -               |
| Profit on deposits with banks and dividend income             | 15   | 25,020             | 40,190          |
| <b>Net cash generated from investing activities</b>           |      | <b>2,652,617</b>   | <b>40,190</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                   |      |                    |                 |
|                                                               |      | -                  | -               |
|                                                               |      | 1,496,295          | (59,349)        |
| <b>Cash and cash equivalents at the beginning of the year</b> |      | <b>50,975</b>      | <b>110,324</b>  |
| <b>Cash and cash equivalents at the end of the year</b>       | 14   | <b>1,547,270</b>   | <b>50,975</b>   |

The annexed notes from 1 to 31 form an integral part of these financial statements.

  
**Humayun Mazhar**  
 Chief Executive Officer

  
**Shameel Mazhar**  
 Director

  
**Tahir Hussain**  
 Chief Financial Officer



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### 1. THE COMPANY AND ITS OPERATIONS

- 1.1** Crescent Jute Products Limited (the Company) 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 (PSX). Its registered office is situated at 1st Floor, 65-XX, Khayaban-e-Iqbal Road, Phase-III, DHA, Lahore while a liaison office is situated at 8th floor, Main Habib Bank Limited Building, Faisalabad. The Company was engaged in manufacturing and sale of jute products including jute bags.

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 May 02, 2011. The Company's appeal before the Appellate Bench, SECP against the aforesaid Order was unsuccessful and afterwards the Company appealed against the aforesaid Order in Lahore High Court, Lahore. That appeal was later withdrawn on March 29, 2018 by the Company and a writ petition was filed by the Company against the above mentioned Order which was dismissed by the High Court, Lahore on October 26, 2021. The Company filed intra Court appeal on January 11, 2022 against the impugned order of SECP which has been accepted by the honorable Lahore High Court, Lahore vide Order dated January 19, 2022 and suspended the operation of the Impugned Order till the date of next hearing. The legal advisor has advised that the matter is pending in the Lahore High Court, Lahore and there are fair chances that the matter will be decided in favour of the Company. However, they have further advised that in case of non-acceptance of the Intra Court Appeal, the SECP can initiate winding up proceedings against the Company. Moreover, the trading in the shares of the company has been restored with effect from June 03, 2024 vide PSX Notice no PSX/N-520 dated 31-May, 2024 while keeping the Company in the defaulters Winding Up (WU) segment. The first notice for the suspension in the trading of shares was issued by PSX on 18 December 2017.

### 1.2 Non-Compliance with PSX Regulations and Regulatory Actions

During the year, Crescent Jute Products Limited already quoted in the Defaulters Winding-Up Segment of the Pakistan Stock Exchange (PSX) due to non-compliances, further failed to pay the Annual Listing Fee (ALF) for two consecutive years, resulting in non-compliance with PSX Regulation 5.11.1(d). PSX issued a notice dated October 24, 2024, granting 90 days (up to January 22, 2025) to rectify the non-compliance. Subsequent reminder notices were issued on December 23, 2024 (PSX/N-1267), January 8, 2025 (PSX/N-051), and January 15, 2025 (PSX/N-077).

On March 21, 2025, PSX issued a Risk Warning Alert (PSX/N-311) with a rectification deadline of April 21, 2025, failing which further actions, including compulsory buy-back directions, would be initiated. Additional reminders were issued on April 7, 2025 (PSX/N-356) and April 14, 2025 (PSX/N-374).

As the Company did not rectify the non-compliance, PSX issued a compulsory buy-back direction to the sponsors/majority shareholders on April 21, 2025 (PSX/N-405). On June 24, 2025 (PSX/N-665), PSX informed the Company that the Securities and Exchange Commission of Pakistan (SECP) had initiated winding-up proceedings. Subsequent

notices reiterating SECP's action were issued on July 8, 2025 (PSX/N-665) and July 15, 2025 (PSX/N-746) indicating that further action will be initiated against the Company as per the relevant provisions of the PSX Regulations.

### **1.3 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 May 02, 2011. The Company in its Annual General Meeting on October 31, 2011 decided to dispose of the property, plant and equipment of the Company. Whole of the property, plant and equipment has been disposed of uptill June 30, 2019. Moreover the Company has accumulated losses of Rupees 476,647,050 as on 30 June 2025 which has turned equity into negative balance of Rupees 203,379,286 as on that date.

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 BASIS OF PREPARATION**

### **a) Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Circular No. 3/2017 dated February 07, 2017 issued by the Institute of Chartered Accountants of Pakistan (ICAP.), for companies that are not considered a going concern. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### **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) Functional and presentation currency**

These financial statements are presented in Pak Rupees, which is the company's functional and presentation currency.

### **d) 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) Provisions
- iv) Taxation
- v) Contingencies

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 June 30, 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.

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

Due to volatile economic situation in the country, the expected profit on disposal of operating fixed assets (note 9) of the company, if any, cannot be estimated with reasonable accuracy hence not reported or recognized in the financial statements.

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

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

There are certain amendments to the accounting and reporting standards which became applicable to the Company on July 1, 2024. However, these amendments do not have any significant impact on the Company's financial statements.

**Effective Date**

**i) IAS 1 : Classification of liabilities as current or non current January 1 , 2024**

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a Company complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a Company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the Company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

**Effective Date**  
January 1 , 2024

ii) **FRS 16 : Sale and leaseback transaction**

Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.

The above mentioned amendments to published approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current and future periods.

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

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements.

g) **Amendments to published approved accounting standards that are not yet effective but relevant to the Company**

The following amendments and interpretations to existing accounting standards have been published that are not yet effective but relevant to the Company's accounting periods beginning on or after July 1, 2024.

**Effective Date**  
January 1 , 202

i) **IAS 21 : Lack of exchangeability**

Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates' address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date. The amendments provide flexibility, allowing the use of observable rates without adjustment or other estimation techniques, provided they meet the estimation objective. The assessment considers factors like the availability of multiple rates, purpose, nature, and update frequency. The amendments requires new disclosures, including the nature and financial impact of non-exchangeability, the spot exchange rate used, the estimation process, and associated risks.

**Effective Date**  
January 1 , 2025

ii) **IFRS 7 : Classification and Measurement of Financial Instruments Disclosure**

**IFRS 9 : Financial Instruments**

Amendment to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' - Classification and Measurement of Financial Instruments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and

governance (ESG targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

**Effective Date**  
January 1, 2025

iii) **IFRS 18 : Presentation and Disclosure in Financial Statements**

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

**Effective Date**  
July 1, 2025

v) **IFRS S1 : General Requirements for Disclosure of Sustainability-Related Financial Information**

**IFRS S2 : Climate-Related Disclosures**

These standards include the core framework for the disclosure of material information about sustainability-related risks, opportunities across an entity's value chain and set out the requirements for entities to disclose information about climate-related risks and opportunities.

IFRS S1 requires entities to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reporting in making decisions relating to providing resources to the entity. The standards provide guidance on identifying sustainability-related risks and opportunities, and the relevant disclosures to be made in respect of those sustainability-related risks and opportunities.

IFRS S2 is a thematic standard that builds on the requirements of IFRS S1 and is focused on climate-related disclosures. IFRS S2 requires an entity to identify and disclose climate-related risks and opportunities that could affect the entity's prospects over the short, medium and long term. In addition, IFRS S2 requires entities to consider other industry-based metrics and seven cross-industry metrics when disclosing qualitative and quantitative components on how the entity uses metrics and targets to measure, monitor and manage the identified material climate-related risks and opportunities. The cross-industry metrics include disclosures on greenhouse gas ('GHG') emissions, transition risks, physical risks, climate-related opportunities, capital deployment, internal carbon prices and remuneration.

The above amendments and improvements are likely to have no significant impact on the financial statements.

h) **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 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not stated in these financial statements.

**3 MATERIAL ACCOUNTING POLICY INFORMATION**

Following are the material accounting policy information as disclosed below:

### 3.1 Operating fixed assets and depreciation

Operating fixed assets 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.

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 the statement of profit or loss during the period in which they are incurred.

#### Depreciation

Depreciation on operating fixed assets is charged to statement of profit or loss 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 operating fixed assets 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 charged to the statement of profit or loss in the year the asset is de-recognized.

### 3.2 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 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 recognized for all taxable temporary differences, unused tax losses and tax credits, 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 reporting date. Deferred tax is charged or credited in the statement of profit or loss, 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.



### 3.3 Financial instruments

#### **I) Investments and other financial assets**

##### **a) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

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

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

##### **b) Measurement**

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

#### ***Debt instruments***

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments with following measurement category:

##### **Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

##### ***Equity instruments***

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

### **Fair Value Through Other Comprehensive Income (FVTOCI)**

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

### **Fair Value Through Profit or Loss (FVTPL)**

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

Dividends from equity investments are to be recognized in profit or loss when the Company's right to receive payments is established.

## **ii) Financial liabilities**

### **Recognition, classification and measurement**

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified as measured at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in the statement of profit or loss.

## **iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

## **iv) De-recognition of financial assets and financial liabilities**

### **a) Financial assets**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial asset that is created or retained by the company is recognized as a separate asset or liability.

## **v) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when there is a legally 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.

## **3.4 Receivables**

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.



### 3.5 Other Income

#### a) Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### b) Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

### 3.6 Borrowings

Financing and borrowings are initially recognized at fair value of the consideration received, net of transaction costs. They are subsequently measured at amortized cost using the effective interest method.

### 3.7 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

### 3.8 Accrued liabilities and other payables

Accrued liabilities and other amounts payable are initially recognized at fair value, which is normally the transaction cost. These are subsequently measured at amortized cost.

### 3.9 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 outflow can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

### 3.10 Earnings / (loss) per share

The Company presents Earnings Per Share (EPS) or Loss Per Share (LPS) data for its ordinary shares. EPS / LPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

### 3.11 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

### 3.12 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

### 3.13 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed annually to ascertain whether there is any indication of impairment. Moreover, assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

### 3.14 Cash and cash equivalents

Cash and cash equivalents comprise of 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.

## 4. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

| 2024<br>(NUMBER OF SHARES) | 2023              |                                                                       | 2025<br>RUPEES     | 2024               |
|----------------------------|-------------------|-----------------------------------------------------------------------|--------------------|--------------------|
| 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 fully paid bonus shares | 80,397,270         | 80,397,270         |
| <b>23,763,468</b>          | <b>23,763,468</b> |                                                                       | <b>237,634,680</b> | <b>237,634,680</b> |

#### 4.1 Ordinary shares of the Company held by the associated companies:

|                                  | 2025<br>(NUMBER OF SHARES) | 2024          |
|----------------------------------|----------------------------|---------------|
| Crescent Group (Private) Limited | -                          | 79            |
| Crescent Foundation              | -                          | 4,621         |
| Shams Textile Mills Limited      | -                          | 12,476        |
|                                  | <b>17,176</b>              | <b>17,176</b> |

|                                          | NOTE | 2025<br>RUPEES    | 2024              |
|------------------------------------------|------|-------------------|-------------------|
| <b>5 CAPITAL RESERVES</b>                |      |                   |                   |
| Share premium                            | 5.1  | 35,767,584        | 35,767,584        |
| Fair value reserve on FVTOCI investments | 10   | (134,500)         | (134,500)         |
|                                          |      | <u>35,633,084</u> | <u>35,633,084</u> |

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

|                                                  |     | 2025<br>RUPEES    | 2024             |
|--------------------------------------------------|-----|-------------------|------------------|
| <b>6. ACCRUED LIABILITIES AND OTHER PAYABLES</b> |     |                   |                  |
| Accrued liabilities                              |     | 2,650,800         | 1,077,384        |
| Other payable                                    | 6.1 | 14,592,715        | 8,612,715        |
|                                                  |     | <u>17,243,515</u> | <u>9,690,099</u> |

6.1 This represents the amount paid by the Chief Executive Officer to meet day to day expenses of the company and is repayable on demand.

|                                                               |     | 2025<br>RUPEES     | 2024               |
|---------------------------------------------------------------|-----|--------------------|--------------------|
| <b>7. BORROWINGS</b>                                          |     |                    |                    |
| <b>From banking company and financial institution secured</b> | -   |                    |                    |
| B.R.R. Guardian Modaraba                                      | 7.1 | 33,810,398         | 33,810,398         |
| <b>Unsecured</b>                                              |     |                    |                    |
| <b>Related party</b>                                          |     |                    |                    |
| Crescent Ventures (Private) Limited                           | 7.2 | 3,073,795          | 3,073,795          |
| <b>Others</b>                                                 |     |                    |                    |
| Innovative Investment Bank Limited                            | 7.3 | 18,083,326         | 18,083,326         |
| Crescent Jute Mills Limited                                   | 7.4 | 55,138,715         | 55,138,715         |
|                                                               |     | <u>110,106,234</u> | <u>110,106,234</u> |

7.1 This facility was obtained from B.R.R. Guardian Modaraba 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 49.5 million, pledge of stocks of raw jute and hessian cloth and in case of default carried mark-up at the rate of 18% (2024: 18 %) per annum on the outstanding balance. As per agreement, B.R.R. Guardian Modaraba agreed to waive off mark-up on default amounting to Rupees 15.29 million subject to liquidation of entire murabaha facility by June 30, 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 B.R.R. Guardian Modaraba.

B.R.R. Guardian Modaraba filed a suit in Modaraba Tribunal/Banking Court Lahore against the Company for the recovery of above-mentioned principal amount and mark-up amounting to Rupees 15.29 million previously waived off by B.R.R. Guardian Modaraba. The case has been decided against the Company. The Company filed an appeal in Lahore High Court, Lahore against the Order of Modaraba Tribunal. Moreover B.R.R. Guardian Modaraba has obtained a decree for the attachment of the freehold land, previously held by the Company, from the Banking Court, Lahore against the principal and mark-up mentioned above. Furthermore B.R.R. Guardian Modaraba has filed an execution petition before the Modaraba Tribunal. The Company has filed an objection petition against the decree and execution petition mentioned above. The Division Bench of Lahore High Court Lahore, vide order dated March 09, 2022 accepted the Appeal and set aside the judgment and decree. The Learned Banking Court on application for seeking de-attachement of aforesaid immovable property has passed the decree on March 22, 2022 to de-attach the above mentioned immovable property. Moreover as per the advice of the legal counsel of the Company, further mark-up is not being charged on the principal amount from the financial year ended June 30, 2019 as the case is currently pending before the Modaraba Tribunal/Banking Court, Lahore and at the most B.R.R. Guardian Modaraba can be granted cost of funds when the matter is decided by the honorable Modaraba Tribunal/Banking Court, Lahore.

- 7.2 This represents interest free loan obtained from Crescent Ventures (Private) Limited, a related party. This loan is obtained to meet day to day expenses of the Company and is repayable on demand.
- 7.3 This represents interest free loan obtained from Innovative Investment Bank Limited with sixty equal monthly installments commenced on January 01, 2009 uptill December 01, 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 become due carrying mark-up at the rate of 14% (2024: 14%) per annum. Due to non-payment of installments within due period, entire outstanding amount of the loan has become immediately due.
- 7.4 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 October 31, 2005. The time limit allowed in the scheme of merger has lapsed on January 01, 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 November 28, 2008. But the matter is still pending on behalf of the Company.

## 8 CONTINGENCIES AND COMMITMENTS

### a) Contingencies

- i) For tax year 2022, the company did not work out the tax provision as required under Section 113 C (Alternative Corporate tax) of the Income Tax Ordinance, 2001. The tax return has been assessed under Section 120 – Order to make self assessment and accepted by the tax authorities. In case the company's tax return is selected for audit the tax authorities may revise the tax return and raise tax demand for the omitted tax liability of Rs 8.75 Million.
- ii) The Commissioner Inland Revenue raised demand for sales tax amounting to Rupees 34.022 million (2023: 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. The Company filed appeals before the Appellate Tribunal Inland Revenue and

subsequently in Lahore High Court, Lahore which were decided against the Company. Afterwards, the Company filed an appeal in Supreme Court of Pakistan in 2012 against the decision of the Lahore High Court, Lahore. Moreover, the Company also approached Federal Board of Revenue (FBR) for a decision by Alternate Dispute Resolution Committee (The Committee). The Committee has given its recommendations in favour of the company. However, on February 10, 2020, Supreme Court of Pakistan dismissed the appeal. Then the Company filed review petition on March 10, 2020 in Supreme Court of Pakistan against this judgment. The honorable Supreme Court in its order dated September 30, 2021 disposed of the review petition in terms that the judgment under review shall not prejudice the rights of the petitioner arising out of the legislative amendments introduced in sub-section (4) of Section 47-A of the Sales Tax Act, 1990. Based on the advise of the legal counsel, no provision has been made in these financial statements as the management is of the view that after decision of the honorable Supreme Court the recommendations made by the ADRC shall be treated to be an order passed by the FBR under the Sales Tax Act, 1990.

- iii) Deputy Commissioner Inland Revenue, Lahore ordered on June 19, 2017 for recovery of sales tax amounting to Rupees 934,414 along with penalty of Rupees 97,962. The Company filed an appeal against this order to Commissioner Inland Revenue (Appeals), Lahore on July 14, 2017. However on June 20, 2018, the appeal was disposed of by Commissioner Inland Revenue (Appeals), Lahore and the case was remanded back to Deputy Commissioner Inland Revenue, Lahore. 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. Therefore, the related provision is not made in these financial statements.
- iv) As per press release of Supreme Court of Pakistan dated May 17, 2018, a two member bench, headed by Chief Justice of Pakistan, heard Suo Moto Case No. 26 of 2007 with HR Cases and Constitution Petition No. 64 of 2009 regarding Deadbeats got loans of Rupees 54 billion written off. The case was heard on May 13, 2018 at Supreme Court of Pakistan and the Bench passed the order recommending action against 222 individuals / companies identified in the Report of the Commission constituted by the honorable Supreme Court (Page No. 107 of Vol-I of the Commission's Report) on account of the fact that the loans were not written off in accordance with law. The case was adjourned several times uptill the end of the financial year 30 June 2024.

The name of the Company, under the heading of National Bank of Pakistan (NBP), is included in the list of 222 individuals / companies. On August 10, 2018, NBP through a letter demanded Rupees 25.858 million (US Dollars 212,654.94) against the principal and mark-up balances of FE-25 loan along with mark-up on other adjusted loans. The company has filed suit against NBP's illegal and time barred claim, which is presently pending adjudication before the Lahore High Court, Lahore. The legal advisors have advised that there is no scope of any loss to the company in this matter. A writ petition was filed by the Company against Bank's threat of indulging NAB, which was allowed by Lahore High Court, Lahore on December 24, 2018. However, NAB has challenged this judgment of Lahore High Court, Lahore before Supreme Court of Pakistan on March 09, 2019 vide CPLA No 1247, said CPLA has also been dismissed as withdrawn on November 28, 2023. Further, on May 08, 2021, a suit was also filed by NBP in the Banking Court, Lahore against the Company claiming recovery of US Dollars 211,051.22 against principal and mark-up balances of FE-25 loan. The Company denies any of the claims made by NBP. The case is pending before the Banking Court, Lahore and the company has a very good case in this matter as advised by the legal advisors. Based on advice of legal counsel, no provision has been made in these financial statements as the management believes the Company has strong grounds about the decision of the cases in favour of the Company.

- v) The Bank of Punjab and the Company agreed an out of court settlement regarding the outstanding liabilities and a memorandum of understanding (settlement document) regarding the settlement of outstanding dues was signed by both the parties on May 21, 2021. According to

the settlement document, the Bank agreed to receive rupees 138,615,841 against all outstanding principal and liabilities, and to waive off all the accrued mark-up. Subsequent to year ended June 30, 2021 the BOP issued No Liability Certificate to the company and the accrued mark up was written back in the financial statement in the year 2022. A writ petition was filed by the Company against Bank of Punjab threat of indulging NAB, which writ petition was allowed by Lahore High Court on December 12, 2018. NAB has challenged this judgement of Lahore High Court before the Supreme Court of Pakistan vide CPLA no 1250. As the Dispute amongst BOP and the Company has been settled therefore, hence this CPLA has also been dismissed as withdrawn on November 28, 2023.

**b) Commitments**

There was no capital or other commitment of the Company as at 30 June 2025 (2024: Rupees Nil).

**9 OPERATING FIXED ASSETS**

|                                | Computers   | Furniture and fittings | Vehicles    | Total        |
|--------------------------------|-------------|------------------------|-------------|--------------|
| ----- RUPEES-----              |             |                        |             |              |
| <b>At 30 June 2023</b>         |             |                        |             |              |
| Cost                           | 6,284,191   | 19,006,105             | 2,218,070   | 27,508,366   |
| Accumulated depreciation       | (6,284,191) | (17,365,367)           | (1,854,817) | (25,504,375) |
| Net book value                 | -           | 1,640,738              | 363,253     | 2,003,991    |
| <b>Year ended 30 June 2024</b> |             |                        |             |              |
| Opening net book value         | -           | 1,640,738              | 363,253     | 2,003,991    |
| Disposal:                      |             |                        |             |              |
| Cost                           | -           | -                      | -           | -            |
| Accumulated Depreciation       | -           | -                      | -           | -            |
|                                | -           | -                      | -           | -            |
| Depreciation charge            | -           | (164,073)              | (28,786)    | (192,859)    |
| Closing net book value         | -           | 1,476,665              | 334,467     | 1,811,132    |
| <b>At 30 June 2024</b>         |             |                        |             |              |
| Cost                           | 6,284,191   | 19,006,105             | 2,218,070   | 27,508,366   |
| Accumulated depreciation       | (6,284,191) | (17,529,440)           | (1,883,603) | (25,697,234) |
| Net book value                 | -           | 1,476,665              | 334,467     | 1,811,132    |
| <b>Year ended 30 June 2025</b> |             |                        |             |              |
| Opening net book value         | -           | 1,476,665              | 334,467     | 1,811,132    |
| Disposals:                     |             |                        |             |              |
| Cost                           | -           | -                      | -           | -            |
| Accumulated depreciation       | -           | -                      | -           | -            |
|                                | -           | -                      | -           | -            |
| Depreciation charge            | -           | (147,666)              | (23,030)    | (170,696)    |
| Closing net book value         | -           | 1,328,999              | 311,437     | 1,640,436    |

**At 30 June 2025**

|                                      |                    |                     |                    |                     |
|--------------------------------------|--------------------|---------------------|--------------------|---------------------|
| <b>Cost</b>                          | <b>6,284,191</b>   | <b>19,006,105</b>   | <b>2,218,070</b>   | <b>27,508,366</b>   |
| <b>Accumulated depreciation</b>      | <b>(6,284,191)</b> | <b>(17,677,106)</b> | <b>(1,906,633)</b> | <b>(25,867,930)</b> |
| <b>Net book value</b>                | <b>-</b>           | <b>1,328,999</b>    | <b>311,437</b>     | <b>1,640,436</b>    |
| <b>Annual rate of depreciation %</b> | <b>33.33</b>       | <b>10</b>           | <b>20</b>          |                     |

9.1 Operating fixed assets having cost of Rupees 6.349 million (2023: Rupees 6.349 million) have been fully depreciated and are still in use of the Company.

|                                                                      | NOTE        | 2025<br>RUPEES   | 2024      |
|----------------------------------------------------------------------|-------------|------------------|-----------|
| <b>10 LONG TERM INVESTMENTS</b>                                      |             |                  |           |
| <b>Investments at fair value through other comprehensive income</b>  |             |                  |           |
| <b>Associated company:</b>                                           |             |                  |           |
| <b>Un-quoted</b>                                                     |             |                  |           |
| <b>Crescent Group (Private) Limited</b>                              |             |                  |           |
| 220,000 (2024: 220,000) fully paid ordinary shares of Rupees 10 each |             |                  |           |
| Equity held: 1.03% (2024: 1.03%)                                     | <b>10.1</b> | -                | -         |
| <b>Other:</b>                                                        |             |                  |           |
| <b>Un-quoted</b>                                                     |             |                  |           |
| <b>Crescent Modaraba Management Company Limited</b>                  |             |                  |           |
| 100,000 (2024: 100,000) fully paid ordinary shares of Rupees 10 each |             |                  |           |
| Equity held 5.45% (2024: 5.45%)                                      |             | <b>134,500</b>   | 134,500   |
|                                                                      |             | <b>134,500</b>   | 134,500   |
| Fair value adjustment                                                | <b>5</b>    | <b>(134,500)</b> | (134,500) |
|                                                                      |             | <b>-</b>         | -         |

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

|                                           | 2025<br>RUPEES | 2024    |
|-------------------------------------------|----------------|---------|
| <b>11 ADVANCE INCOME TAX</b>              |                |         |
| Advance income tax                        | <b>158,176</b> | 273,151 |
| Provision for doubtful advance income tax | -              | -       |
|                                           | <b>158,176</b> | 273,151 |



|                                                  | 2025           | 2024           |
|--------------------------------------------------|----------------|----------------|
|                                                  | RUPEES         |                |
| <b>12 OTHER RECEIVABLES</b>                      |                |                |
| <b>Considered good:</b>                          |                |                |
| Profit on bank deposit                           | 5,996          | 3,948          |
| Receivable from Crescent Group (Private) Limited | 259,462        | 259,462        |
|                                                  | <b>349,063</b> | -              |
|                                                  | <b>614,521</b> | <b>263,410</b> |

**13 SHORT TERM INVESTMENTS**

| 2025           |                          |                             |            | 2024           |                          |                             |            |
|----------------|--------------------------|-----------------------------|------------|----------------|--------------------------|-----------------------------|------------|
| Carrying value | Unrealized (loss) / gain | Disposed of during the year | Fair value | Carrying value | Unrealized gain / (loss) | Disposed of during the year | Fair value |

------(RUPEES)-----

**At fair value through profit or loss****Quoted****Shakarganj Limited**

38,026 (2024:  
38,026) fully  
paid ordinary  
shares of  
Rupees 10  
each

Equity held:

0.03% (2024: 1,511,915 - 1,511,915 - 1,666,300 (154,300) - 1,511,915  
0.03%)

**Shahzad Textile Mills Limited**

60 (2022: 60)  
fully paid  
ordinary  
shares of  
Rupees 10  
each

2,353 1,192 - 3,545 3,000 (647) - 253

**Thal Limited**

412 (2024:  
412) fully paid  
ordinary  
shares of  
Rupees 10  
each

199,136 (35,893) - 163,242 66,744 132,392 - 199,136

**1,713,404 (34,702) - 1,511,915 166,787 1,736,044 (22,640) 1,713,404**

The Company has fully disposed of its 100% shareholding in Shakarganj Limited during the year.



|                         |      | 2025             | 2024          |
|-------------------------|------|------------------|---------------|
|                         | NOTE | RUPEES           |               |
| <b>14 BANK BALANCES</b> |      |                  |               |
| Cash in Hand            |      | 3,842            | -             |
| On current accounts     |      | 3,054            | 3,054         |
| On deposit accounts     | 14.1 | 1,540,374        | 47,921        |
|                         |      | <u>1,547,270</u> | <u>50,975</u> |

14.1 Rate of profit on deposit accounts ranges from 20.50% to 19% (2024: 19.5% to 20.5%) per annum.

|                                     |      | 2025             | 2024          |
|-------------------------------------|------|------------------|---------------|
|                                     | NOTE | RUPEES           |               |
| <b>15 OTHER INCOME</b>              |      |                  |               |
| <b>Income from financial assets</b> |      |                  |               |
| Profit on deposits with banks       |      | 25,020           | 37,513        |
| Dividend income                     |      | -                | 2,677         |
| Gain on sale of shares              |      | 1,115,683        | -             |
|                                     |      | <u>1,140,702</u> | <u>40,190</u> |

|                                         |      |                  |                  |
|-----------------------------------------|------|------------------|------------------|
| <b>16 ADMINISTRATIVE EXPENSES</b>       |      |                  |                  |
| Salaries, allowances and other benefits |      | 3,827,777        | 3,877,835        |
| Rent, rates and taxes                   |      | 923,900          | 663,805          |
| Legal and professional                  |      | 1,858,708        | 1,003,673        |
| Insurance                               |      | -                | 34,712           |
| Travelling and conveyance               |      | 478,829          | 363,957          |
| Vehicles' running                       |      | 249,845          | 164,951          |
| Entertainment                           |      | 72,440           | 39,031           |
| Auditor's remuneration                  | 16.1 | 359,250          | 334,000          |
| Advertisement                           |      | 59,400           | 42,900           |
| Communication                           |      | 300,231          | 307,820          |
| Utilities                               |      | 16,860           | 26,665           |
| Printing and stationery                 |      | 161,080          | 131,961          |
| Repair and maintenance                  |      | 200              | 3,580            |
| Depreciation                            | 9    | 170,696          | 192,859          |
| Miscellaneous                           |      | 27,791           | 194,341          |
|                                         |      | <u>8,507,007</u> | <u>7,382,090</u> |

**16.1 Auditor's remuneration**

|                       |                |                |
|-----------------------|----------------|----------------|
| Audit fee             | 244,250        | 219,000        |
| Half yearly review    | 50,000         | 50,000         |
| Other certifications  | 50,000         | 50,000         |
| Reimbursable expenses | 15,000         | 15,000         |
|                       | <u>359,250</u> | <u>334,000</u> |

|    |                                                                                        | 2025   | 2024   |
|----|----------------------------------------------------------------------------------------|--------|--------|
| 17 | OTHER EXPENSES                                                                         | NOTE   | RUPEES |
|    | Un-realized loss on re-measurement of investments at fair value through profit or loss | 13     |        |
|    |                                                                                        | 34,702 | 22,640 |
| 18 | FINANCE COST                                                                           |        |        |
|    | Bank charges                                                                           | 9,222  | 10,450 |
| 19 | FINAL TAXES                                                                            |        |        |
|    | Final taxes-levy                                                                       | 19.1   | - 401  |

**19.1** This represents final taxes paid under the relevant sections of Income Tax Ordinance which represent levy in terms of requirements of IFRIC 21 / IAS 37 as per the 'IAS 12, Application Guidance on Accounting for Minimum Taxes and Final Taxes'.

**20 TAXATION**

|             |      |   |       |
|-------------|------|---|-------|
| Current tax | 20.1 | - | 7,275 |
|-------------|------|---|-------|

**20.1** The aggregate of final taxes and income tax, amounting to Rs.Nil (2024 - Rs.7,676) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001. As the Company has business loss for the year, the current tax has been calculated on taxable income using the notified tax rate as an income tax expense. Any excess over the amount designated as income tax, is recognized as a 'Levy' in terms of requirements of IFRIC 21 / IAS 37. Moreover, the Company has accumulated tax losses of Rupees 206.88 Million (2024: Rupees 299.368 million) including unabsorbed depreciation as at June 30, 2025, amounting to Rupees 157.12 million. 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.

- 20.2 The related deferred tax asset amounting to Rupees 59,708,469 (2024: Rupees 86,515,735) 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. The reconciliation of deferred tax asset is given here under:

|                                                 | NOTE | 2025<br>RUPEES      | 2024                |
|-------------------------------------------------|------|---------------------|---------------------|
| <b>Taxable temporary difference</b>             |      |                     |                     |
| Tax depreciation allowance                      |      | 282,411             | 297,608             |
| Unrealized fair value (gain)/loss on investment |      | 5,205               | 3,396               |
|                                                 |      | <u>287,616</u>      | <u>301,004</u>      |
| <b>Deductible temporary differences on</b>      |      |                     |                     |
| Unused tax losses                               |      | (59,996,085)        | (86,816,738)        |
| Deferred tax asset not recognized               |      | <u>(59,708,469)</u> | <u>(86,515,735)</u> |

- 20.3 Unused tax losses include Rupees 141,868,531 related to business losses. The expiry dates of these business losses are given hereunder:

| Accounting year to which the business loss relates | Amount of business loss | Accounting year in which business loss will expire |
|----------------------------------------------------|-------------------------|----------------------------------------------------|
| 2019                                               | -                       | 2025                                               |
| 2020                                               | 12,471,401              | 2026                                               |
| 2021                                               | -                       | 2027                                               |
| 2022                                               | 12,109,090              | 2028                                               |
| 2023                                               | 9,637,490               | 2029                                               |
| 2024                                               | 7,199,681               | 2030                                               |
| 2025                                               | 8,345,533               | 2031                                               |
|                                                    | <u>56,962,876</u>       |                                                    |

## 21 (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings / (loss) per share which is based on:

|                                            |                | 2025               | 2024               |
|--------------------------------------------|----------------|--------------------|--------------------|
| (Loss) for the year                        | <b>Rupees</b>  | <u>(7,410,229)</u> | <u>(7,382,666)</u> |
| Weighted average number of ordinary shares | <b>Numbers</b> | 23 763 468         | 23 763 468         |

|                  |               |               |               |
|------------------|---------------|---------------|---------------|
| (Loss) per share | <b>Rupees</b> | <b>(0.31)</b> | <b>(0.31)</b> |
|                  | <b>NOTE</b>   | <b>RUPEES</b> |               |

## 22 CASH (USED IN) / GENERATED FROM OPERATIONS

|                                                                                   |             |                    |                    |
|-----------------------------------------------------------------------------------|-------------|--------------------|--------------------|
| <b>(Loss) before levies and tax</b>                                               |             | <b>(7,410,229)</b> | <b>(7,374,990)</b> |
| <b>Adjustments for non-cash charges and other items:</b>                          |             |                    |                    |
| Depreciation                                                                      | <b>9</b>    | <b>170,696</b>     | 192,859            |
| Dividend income                                                                   | <b>15</b>   | -                  | (2,677)            |
| Gain on sale of shares                                                            | <b>15</b>   | <b>(1,115,683)</b> | -                  |
| Profit on deposits with banks                                                     | <b>15</b>   | <b>(25,020)</b>    | (37,513)           |
| Un-realized loss on re-measurement of investments at fair value through profit or | <b>13</b>   | <b>34,702</b>      | 22,640             |
| Finance cost                                                                      | <b>18</b>   | <b>9,222</b>       | 10,450             |
| Working capital changes                                                           | <b>22.1</b> | <b>7,194,807</b>   | 7,107,820          |
|                                                                                   |             | <b>(1,141,504)</b> | <b>(81,410)</b>    |

### 22.1 Working capital changes

|                                                      |  |                  |                  |
|------------------------------------------------------|--|------------------|------------------|
| (Increase)/Decrease in current assets:               |  |                  |                  |
| - Prepayments                                        |  | <b>(7,500)</b>   | 13,500           |
| - Other receivables                                  |  | <b>(351,111)</b> | (21,224)         |
|                                                      |  | <b>(358,611)</b> | <b>(7,724)</b>   |
| (Decrease) in accrued liabilities and other payables |  | <b>7,553,418</b> | 7,115,544        |
|                                                      |  | <b>7,194,807</b> | <b>7,107,820</b> |

## 23. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVES

- 23.1 There are no executives in the Company as at year-end. (2024: Nil)
- 23.2 Aggregate amount charged in these financial statements for meeting fee to six directors (2024: six directors) was Rupees 57,500 (2024: Rupees 75,000).
- 23.3 The executive (if any) is provided re-imbursement of fuel and maintenance cost for his personal vehicle as per Company's policy.
- 23.4 No remuneration was paid to Chief Executive Officer and other directors of the Company except for the fee as disclosed in Note 23.2.

## 24 TRANSACTIONS WITH RELATED PARTIES

The related parties include associated companies, directors and key management personnel. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | NOTE | 2025<br>RUPEES              | 2024   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------|--------|
| <b>Associated companies</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      |                             |        |
| <b>Crescent Group (Private) Limited</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                             |        |
| Expenses paid and reimbursed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |      | -                           | 20,960 |
| 24.1 Detail of compensation to key management personal comprising is disclosed in Note 23.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |                             |        |
| 24.2 Associated companies mentioned above are associated by way of common directorship.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |                             |        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |      | 2025<br>(NUMBER OF PERSONS) | 2024   |
| <b>25 NUMBER OF EMPLOYEES</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |                             |        |
| Number of employees as at 30 June                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |      | 7                           | 11     |
| Average number of employees during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      | 9                           | 11     |
| <b>26 PLANT CAPACITY AND ACTUAL PRODUCTION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |      |                             |        |
| The Company has ceased its production activities since May 02, 2011 and disposed of all the plant and machinery.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |      |                             |        |
| <b>27 FINANCIAL RISK MANAGEMENT</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |      |                             |        |
| <b>27.1 Financial risk factors</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      |                             |        |
| 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. 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. |      |                             |        |
| <b>(a) Market risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |                             |        |
| <b>(i) Currency risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                             |        |
| 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.                                                                                                                                                                                                                                                                                |      |                             |        |
| As at the reporting date, there are no receivables or payables in foreign currencies. Hence, the Company is not exposed to currency risk.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |                             |        |

**(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 instruments 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 PSX Index on the Company's profit / (loss) after taxation. 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 profit / (loss) after taxation |                 |
|-----------------------|------------------------------------------|-----------------|
|                       | 2025                                     | 2024            |
|                       | ----- RUPEES -----                       |                 |
| PSX 100 (5% increase) | <u>8,339</u>                             | <u>85,670</u>   |
| PSX 100 (5% decrease) | <u>(8,339)</u>                           | <u>(85,670)</u> |

**(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 reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

|                                   | NOTE | 2025       | 2024       |
|-----------------------------------|------|------------|------------|
|                                   |      | RUPEES     |            |
| <b>Fixed rate instruments:</b>    |      |            |            |
| <b>Financial liabilities</b>      |      |            |            |
| Borrowings                        | 7.3  | 18,083,326 | 18,083,326 |
| <b>Floating rate instruments:</b> |      |            |            |
| <b>Financial assets</b>           |      |            |            |
| Bank balances - deposit accounts  | 14   | 1,540,374  | 47,921     |

### 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 reporting 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, profit / (loss) after taxation for the year would have been Rupees 0.001 million higher / lower (2024: Rupees 0.001 million higher / lower), mainly as a result of higher / lower interest income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting 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:

|                   |      | 2025             | 2024             |
|-------------------|------|------------------|------------------|
|                   | NOTE | RUPEES           |                  |
| Investments       | 13   | 166,787          | 1,713,404        |
| Other receivables | 12   | 614,521          | 263,410          |
| Security deposits |      | 37,500           | 37,500           |
| Bank balances     | 14   | 1,547,270        | 50,975           |
|                   |      | <u>2,366,078</u> | <u>2,065,289</u> |

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:

| Banks                               | Rating     |           |        | 2025      | 2024   |
|-------------------------------------|------------|-----------|--------|-----------|--------|
|                                     | Short Term | Long term | Agency | RUPEES    |        |
| MCB Bank Limited                    | A1+        | AAA       | PACRA  | 5,046     | 5,046  |
| Habib Metropolitan Bank Limited     | A1+        | AA+       | PACRA  | 1,533,649 | 41,763 |
| Dubai Islamic Bank Pakistan Limited | A-1+       | AA        | VIS    | 4,166     | 4,166  |

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.

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

At 30 June 2025 the Company had not any unavailed borrowing limits from financial institutions and Rupees 1,547,270 (2024: Rupees 50,975) are available as 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 2025:**

| Carrying<br>Amount | Contractual<br>Cash Flows | 6 months or<br>less | 6-12<br>months | 1-2<br>Years | More<br>than<br>2 Years |
|--------------------|---------------------------|---------------------|----------------|--------------|-------------------------|
| ----- RUPEES ----- |                           |                     |                |              |                         |

**Non-derivative financial liabilities:**

|                                        |                    |                    |                    |          |          |          |
|----------------------------------------|--------------------|--------------------|--------------------|----------|----------|----------|
| Borrowings                             | 110,106,234        | 110,106,234        | 110,106,234        | -        | -        | -        |
| Accrued liabilities and other payables | 17,243,515         | 17,243,515         | 17,243,515         | -        | -        | -        |
| Accrued mark-up                        | 79,864,414         | 79,864,414         | 79,864,414         | -        | -        | -        |
| Unclaimed dividend                     | 337,312            | 337,312            | 337,312            | -        | -        | -        |
|                                        | <u>207,551,475</u> | <u>207,551,475</u> | <u>207,551,475</u> | <u>-</u> | <u>-</u> | <u>-</u> |

**Contractual maturities of financial liabilities as at 30 June 2024:**

**Non-derivative financial liabilities:**

|                                        |                    |                    |                    |          |          |          |
|----------------------------------------|--------------------|--------------------|--------------------|----------|----------|----------|
| Borrowings                             | 110,106,234        | 110,106,234        | 110,106,234        | -        | -        | -        |
| Accrued liabilities and other payables | 9,690,099          | 9,690,099          | 9,690,099          | -        | -        | -        |
| Accrued mark-up                        | 79,864,414         | 79,864,414         | 79,864,414         | -        | -        | -        |
| Unclaimed dividend                     | 337,312            | 337,312            | 337,312            | -        | -        | -        |
|                                        | <u>199,998,059</u> | <u>199,998,059</u> | <u>199,998,059</u> | <u>-</u> | <u>-</u> | <u>-</u> |

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rate as disclosed in Note 7 to these financial statements.



**27.2 Financial instruments by categories**

|                                                      | At<br>amortized<br>cost | At fair value<br>through profit<br>or loss | Total            |
|------------------------------------------------------|-------------------------|--------------------------------------------|------------------|
| -----RUPEES-----                                     |                         |                                            |                  |
| <b>As at 30 June 2025</b>                            |                         |                                            |                  |
| <b>Assets as per statement of financial position</b> |                         |                                            |                  |
| Investments                                          | -                       | 166,787                                    | 166,787          |
| Other receivables                                    | 614,521                 | -                                          | 614,521          |
| Deposits                                             | 37,500                  | -                                          | 37,500           |
| Bank balances                                        | 1,547,270               | -                                          | 1,547,270        |
|                                                      | <u>2,199,291</u>        | <u>166,787</u>                             | <u>2,366,078</u> |

|                                                           |                                                              |
|-----------------------------------------------------------|--------------------------------------------------------------|
|                                                           | <b>Financial<br/>liabilities at<br/>amortized<br/>RUPEES</b> |
| <b>Liabilities as per statement of financial position</b> |                                                              |
| Borrowings                                                | 110,106,234                                                  |
| Accrued liabilities and other payables                    | 17,243,515                                                   |
| Accrued mark-up                                           | 79,864,414                                                   |
| Unclaimed dividend                                        | 337,312                                                      |
|                                                           | <u>207,551,475</u>                                           |

|                                                      | At<br>amortized<br>cost | At fair value<br>through profit<br>or loss | Total            |
|------------------------------------------------------|-------------------------|--------------------------------------------|------------------|
| -----RUPEES-----                                     |                         |                                            |                  |
| <b>As at 30 June 2024</b>                            |                         |                                            |                  |
| <b>Assets as per statement of financial position</b> |                         |                                            |                  |
| Investments                                          | -                       | 1,713,404                                  | 1,713,404        |
| Other receivables                                    | 263,410                 | -                                          | 263,410          |
| Deposits                                             | 37,500                  | -                                          | 37,500           |
| Bank balances                                        | 50,975                  | -                                          | 50,975           |
|                                                      | <u>351,885</u>          | <u>1,713,404</u>                           | <u>2,065,289</u> |

|                                                           | Financial liabilities at amortized<br>RUPEES |
|-----------------------------------------------------------|----------------------------------------------|
| <b>Liabilities as per statement of financial position</b> |                                              |
| Borrowings                                                | 110,106,234                                  |
| Accrued liabilities and other payables                    | 9,690,099                                    |
| Accrued mark-up                                           | 79,864,414                                   |
| Unclaimed dividend                                        | 337,312                                      |
|                                                           | <u>199,998,059</u>                           |

### 27.3 Offsetting financial assets and liabilities

As on reporting date, recognized financial instruments are not subject to offsetting 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<br>At 30 June 2024 | Level 1          | Level 2  | Level 3  | Total            |
|------------------------------------------------------|------------------|----------|----------|------------------|
| ----- RUPEES -----                                   |                  |          |          |                  |
| <b>Financial assets</b>                              |                  |          |          |                  |
| At fair value through profit or loss                 | 166,787          | -        | -        | 166,787          |
| <b>Total financial assets</b>                        | <u>166,787</u>   | <u>-</u> | <u>-</u> | <u>166,787</u>   |
| Recurring fair value measurements<br>At 30 June 2024 | Level 1          | Level 2  | Level 3  | Total            |
| ----- RUPEES -----                                   |                  |          |          |                  |
| <b>Financial assets</b>                              |                  |          |          |                  |
| At fair value through profit or loss                 | 1,713,404        | -        | -        | 1,713,404        |
| <b>Total financial assets</b>                        | <u>1,713,404</u> | <u>-</u> | <u>-</u> | <u>1,713,404</u> |

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 as the 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 is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market 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.

(ii) **Valuation techniques used to determine fair values**

Valuation techniques used to value financial instruments include the use of quoted market prices.

**29. DATE OF AUTHORIZATION FOR ISSUE**

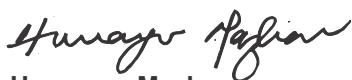
These financial statements were authorized for issue on September 30, 2025 by the Board of Directors of the Company.

**30. CORRESPONDING FIGURES**

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

**31. GENERAL**

Figures have been rounded off to the nearest Rupee.

  
**Humayun Mazhar**  
Chief Executive Officer  
**Shameel Mazhar**  
Director  
**Tahir Hussain**  
Chief Financial Officer

## 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 Tuesday the October 28, 2025 at 10:00 a.m. at 503 - E, Johar Town, Lahore  
 and at any adjournment thereof.

As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_ October 2025

### 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.

## تشکیل نیابت داری (پراکسی فارم)

میں/ہم \_\_\_\_\_  
 ساکن \_\_\_\_\_  
 بحیثیت حصہ دار کرینسٹ چیوٹ پروڈکٹس لمیٹڈ \_\_\_\_\_  
 نام (فولیو/سی ڈی سی اکاؤنٹ نمبر اگر ممبر ہو) \_\_\_\_\_  
 ساکن \_\_\_\_\_ یا بصورت دیگر \_\_\_\_\_  
 نام (فولیو/سی ڈی سی اکاؤنٹ نمبر اگر ممبر ہو) \_\_\_\_\_

ساکن \_\_\_\_\_ کو اپنی جگہ بروز منگل 28 اکتوبر 2025  
 کو بوقت دن کے 10:00 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 2025 کو دی گئی۔

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 |
|----------------------|------------|
| شراکتی آئی ڈی        |            |
| اکاؤنٹ نمبر          |            |
|                      |            |

کمپیوٹرائزڈ شناختی کارڈ نمبر \_\_\_\_\_

نوٹس:

- (۱) پراکسیز کے مؤثر 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/پاور آف اٹارنی بمعہ نمائندہ کے دستخط پراکسی فارم کے ساتھ لف کرنے ہوں گے۔

## قرضوں کی نادر ہندگی، اگر کوئی ہو

بینک آف پنجاب کے واجبات ادا کئے جا چکے ہیں۔ گارڈین مضاربہ جاری ہے اور تاحال تصفیہ کے لئے کسی قسم کی شرائط کو حتمی شکل نہیں دی جاسکی۔

## آڈیٹرز

آڈیٹرز میسرز رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور اہلیت کی بنا پر دوبارہ تقرری کی پیشکش کرتے ہیں۔ کوڈ آف کارپوریٹ گورننس کے تحت آڈٹ کمیٹی نے بطور کمپنی آڈیٹرز میسرز رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی اگلے مالیاتی سال کے لئے تقرری کی سفارش کی ہے۔

## اظہار تشکر

شیر ہولڈرز اور صارفین کی مسلسل ثابت قدمی، سمجھ بوجھ اور تعاون کے لئے ڈائریکٹرز شکر گزار ہیں۔ ہم اُن کو یقین دہانی کراتے ہیں کہ جس طرح انہوں نے کریسینٹ جیوٹ پر اعتماد اور بھروسے کا اظہار کیا ہے اُس کی ہم حوصلہ افزائی کرتے ہیں اور ہم ان کی توقعات پر پورا اترنے کی جدوجہد جاری رکھیں گے۔

برائے/منجانب بورڈ آف ڈائریکٹرز

*Humayun Memon*

ہمایوں مظہر

چیف ایگزیکٹو آفیسر

لاہور :

تاریخ: 30 ستمبر 2025ء

## بورڈ اجلاس اور ڈائریکٹرز کی حاضری

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

| نمبر شمار | نام ڈائریکٹر<br>(حروف تہجی کی ترتیب سے) | عہدے کی میعاد میں منعقدہ<br>اجلاس کی تعداد | منعقدہ اجلاس میں<br>حاضری کی تعداد |
|-----------|-----------------------------------------|--------------------------------------------|------------------------------------|
| 1.        | مسٹر ہمایوں مظہر                        | 4                                          | 4                                  |
| 2.        | مسٹر خرم مظہر کریم                      | 4                                          | 4                                  |
| 3.        | مسٹر شہریار مظہر                        | 4                                          | 0                                  |
| 4.        | مسٹر شکیل مظہر                          | 4                                          | 3                                  |
| 5.        | مسٹر شہناجہان مظہر کریم                 | 4                                          | 4                                  |
| 6.        | مس رجا خرم مظہر                         | 4                                          | 0                                  |
| 7.        | مسٹر محمد آصف                           | 4                                          | 4                                  |
| 8.        | مسٹر شہباز مظہر کریم                    | 0                                          | 0                                  |
| 9.        | مسز نیہا خرم مظہر                       | 0                                          | 0                                  |
| 10        | مسز زویہ مظہر                           | 0                                          | 0                                  |

بورڈ آف ڈائریکٹرز/آڈٹ کمیٹی کے ہر اجلاس میں شرکت کے لئے تمام اراکین کو اجلاس کی فیس کی تفصیلات مالیاتی سسٹمٹس کے نوٹ 22 میں درج ہیں۔

## شیئر ہولڈنگ کی وضع

ڈائریکٹرز، CFO، کمپنی سیکریٹری اور ان کے شریک حیات اور کم سن بچوں نے مذکورہ برس کے دوران کمپنی حصص کے لین دین میں شامل نہ ہیں۔

تقسیم حسب ذیل ہے:

|    |   |                             |
|----|---|-----------------------------|
| 02 | : | نان اگیز کیٹوڈائریکٹرز      |
| 01 | : | آزاد ڈائریکٹرز              |
| 03 | : | خاتون نان اگیز کیٹوڈائریکٹر |
| 01 | : | اگیز کیٹوڈائریکٹر           |

ڈائریکٹرز کے نام بمعہ کیٹگری حسب ذیل ہیں:

| نمبر شمار | نام ڈائریکٹر         | عہدہ                                      |
|-----------|----------------------|-------------------------------------------|
| 1.        | مسٹر ہمایوں مظہر     | چیف اگیز کیٹوڈائریکٹر - اگیز کیٹوڈائریکٹر |
| 2.        | مسٹر شکیل مظہر       | نان اگیز کیٹوڈائریکٹر                     |
| 3.        | مسٹر محمد آصف        | آزاد ڈائریکٹر                             |
| 4.        | مسٹر شہباز مظہر کریم | نان اگیز کیٹوڈائریکٹر                     |
| 5.        | مس رجا خرم مظہر      | نان اگیز کیٹوڈائریکٹر                     |
| 6.        | مسز نیہا خرم مظہر    | نان اگیز کیٹوڈائریکٹر                     |
| 7.        | مسز زویہ مظہر        | نان اگیز کیٹوڈائریکٹر                     |

25 مارچ، 2023ء کو ڈائریکٹرز کا انتخاب عمل میں لایا گیا اور حالیہ بورڈ کی مدت 25 مارچ، 2026ء کو ختم ہو جائے گی۔

آڈٹ کمیٹی کی ترکیب حسب ذیل ہے:

1. مسٹر محمد آصف
2. مسٹر شہباز مظہر کریم
3. مسٹر شکیل مظہر

ہیومن ریسورس اینڈ ریمونریشن کمیٹی کی ترکیب حسب ذیل ہے:

1. مسٹر شہباز مظہر کریم
2. مسٹر محمد آصف
3. مس رجا خرم مظہر



4. مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں رائج بین الاقوامی مالیاتی رپورٹنگ اصولوں کا بھرپور اطلاق کیا گیا ہے اور ان میں کسی بھی سقم کو معقول انداز میں ظاہر کیا گیا ہے۔
5. داخلی نظم و ضبط کا ایک مربوط نظام موجود ہے جس کی باقاعدہ نگرانی اور موثر اطلاق کیا جاتا ہے۔
6. لسٹنگ ضوابط میں درج کارپوریٹ گورننس کی بہترین عمل داری میں کوئی ابہام موجود نہیں ہے۔ ماسوائے ان مثالوں کے جنہیں ہمارے آڈیٹرز کی نظر ثانی رپورٹ میں بیان کیا گیا ہے۔

### اہم آپریٹنگ اور مالیاتی اعداد و شمار

گزشتہ چھ برس کے لئے کمپنی کے اہم آپریٹنگ و مالیاتی اعداد و شمار کا خلاصہ لف ہذا ہے۔

### منافع منقسمہ

مسلل خسارے کے باعث کمپنی کے لئے یہ ممکن نہ تھا وہ اپنے شیئر ہولڈرز کے لئے منافع منقسمہ کا اعلان و ادائیگی کر سکے۔

### قانونی ادائیگیاں

اپیلوں کے علاوہ ٹیکسوں، ڈیوٹی اور جرمانوں کی بابت کوئی قانونی ادائیگی واجب الادا نہیں ہے۔

### اہم منصوبے اور فیصلے

31 دسمبر 2011 میں منعقدہ سالانہ اجلاس عام میں شیئر ہولڈرز کی جانب سے منظوری کے بعد 02 مئی 2011ء سے سرمایے کی کمی کے باعث ملوں کے آپریشنز بند ہیں۔ لہذا شیئر ہولڈرز نے واجبات کی ادائیگی کے لئے پراپرٹی، پلانٹ اور ایکویپمنٹ کو فروخت کرنے کا فیصلہ کیا جو آخر کار فروخت کر دیئے گئے۔

### بورڈ آف ڈائریکٹر میں تبدیلی:

مسز نیہا خرم مظہر، شہباز مظہر کریم، اور مسز زویہ مظہر، کو مسٹر خرم مظہر کریم، مسٹر شاہجان مظہر کریم، مسٹر شہریار مظہر کی جگہ پر ڈائریکٹر منتخب کیا گیا جب کے مسٹر شکیل مظہر کو مسٹر خرم مظہر کریم کی جگہ پر بورڈ چیئر مین مقرر کیا گیا۔ اور مسٹر شہباز مظہر کریم کو مسٹر شاہجان مظہر کریم اور مسٹر شکیل مظہر کو مسٹر شہریار مظہر کی جگہ پر آڈٹ کمیٹی کا رکن مقرر کیا گیا۔

مرد : 04

خاتون : 03

## حصص داران کو ڈائریکٹروں کی رپورٹ

30 جون 2025ء کو اختتام پذیر سال کے لئے کھاتے سال 2024ء کی اسی مدت میں 7.38 ملین روپے خسارہ کے مقابلے میں 7.41 ملین روپے خسارہ ظاہر کرتے ہیں۔ جب کہ گذشتہ برس میں 0.31 روپے خسارہ فی حصص کی نسبت 0.31 روپے فی حصص خسارہ درج ہوا ہے۔ قانونی و پیشہ ورانہ اخراجات اور کمپنی کے کاروباری و مالیاتی امور کی انجام دہی کے لئے کم از کم درکار عملے پر اخراجات کے لئے انتظامی و دیگر اخراجات برداشت کرنا پڑے۔

انتظامیہ بورڈ آف ڈائریکٹرز اور شیئر ہولڈرز کے منظور شدہ کلوزر پلان نافذ کرنے کے عمل میں ہے۔ اس منصوبے کے دو حصے یعنی اثاثہ جات کی فروخت اور مستقبل کا کاروباری منصوبہ ہیں۔ جہاں تک اثاثہ جات کی فروخت کا تعلق ہے، اثاثہ جات کی فروخت کی بابت تمام رقوم وصول کر لی گئی ہیں۔

بینک آف پنجاب کے واجبات کی ادائیگی کے بعد معقول سرپلس فنڈز دستیاب نہیں تھے، لہذا اکتوبر 2011ء میں منعقد اجلاس میں شیئر ہولڈرز کے منظور شدہ مستقبل کے منصوبے پر عمل درآمد ممکن نہ ہو سکا۔

مزید برآں، چند دعووں کی بابت کریسٹل اسٹینڈرڈ مضاربہ کے ساتھ قانونی کارروائی تاحال زیر التوا ہے۔ اس امر کی روشنی میں، انتظامیہ متبادل سرمایے کے مختلف آپشنز اخذ کر رہی ہے تاکہ بقیہ واجبات ادا کئے جاسکیں۔ فی الوقت، کمپنی مستقبل کے کاروباری منصوبہ پر عمل درآمد کے لئے فنڈز کی قلت کا شکار ہے اور موقع ملتے ہیں ہم منظوری کے لئے اسے شیئر ہولڈرز کو پیش کر دیں گے۔ دوسری جانب، ہم لاگت پر کنٹرول کرنے اور اخراجات کو کم از کم سطح پر رکھنے اور انہیں روکنے کے لئے ہر ممکن کوشش کر رہے ہیں۔

## کاروباری و مالیاتی رپورٹنگ فریم ورک پر بیان

1. کمپنی کی انتظامیہ کی جانب سے تیار کردہ یہ مالیاتی اسٹیٹمنٹس اس کے امور، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی بھرپور عکاسی کرتی ہیں۔
2. کمپنی کے کھاتوں کی باقاعدہ کتابیں تیار کی گئی ہیں۔
3. مالیاتی اسٹیٹمنٹس کی تیاری میں مروجہ اکاؤنٹنگ پالیسیوں کا لگاتار اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ جات معقول اور قابل فیصلوں کی بنیاد پر لگائے گئے ہیں۔

## **BOOK POST**

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