



Crescent Steel and
Allied Products Limited

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21

3RD QUARTERLY
REPORT

THE JOURNEY AHEAD

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COMPANY PROFILE

Crescent Steel and Allied Products Limited is a conglomerate listed on the Pakistan Stock Exchange as 'CSAP'. Starting commercial operations with a line pipe manufacturing facility in March 1987, today the company operates businesses in four industry segments - engineering, textiles, capital markets and power – spread over six campuses in Pakistan. The Company operates five divisions and two wholly owned subsidiaries.

STEEL DIVISION - SPIRAL PIPE PRODUCTION LINE, PIPE COATINGS AND FABRICATION

The Company's Steel Division operates two Helical Seam Submerged Arc Welded Steel Pipe manufacturing lines and an external coating application line at Nooriabad and, a fabrication facility - Shakarganj Engineering – in Dalawal, Faisalabad. The Pipe Plant manufactures high quality steel pipes in the diameter range of 8" - 120" (219 mm - 3,048 mm) in wall thickness from 4 mm 25 mm up to lengths of 44 feet per pipe and material grades up to API 5L X-100. The unit has authorization to use API monogram of the American Petroleum Institute (API) - the highest international standard accredited for quality of steel line pipe in the Oil and Gas Sector and also continues to retain the ISO 9001 certification.

The Coating Plant is capable of applying various flow efficient and corrosion protection coatings such as Multilayer Polyolefin and Polypropylene coatings, Single Layer Fusion Bonded Epoxy coatings, Liquid Epoxy coatings and High Temperature Heat Shrink Tape coatings on steel pipes ranging from 4" - 60" (114 mm - 1,524 mm), tape coatings on pipe diameter above 60" (1,524 mm) and internal epoxy coatings on diameters ranging from 8"- 60" (219 mm - 1,524 mm).

Crescent Steel is a serious and responsible local line pipe manufacturer that continues to serve as a partner in important national energy projects with demonstrated commitment in terms of quality, experience, financial strength and technical expertise.

The fabrication unit is engaged in fabrication and erection of machinery at par with international standards and designs, especially for sugar and cement industry. The unit has a wide product fabrication capability and specializes in the manufacture and supply of cane shredders, juice heaters, evaporators, batch and continuous vacuum pans, centrifugal machines, stainless steel deep bed filter, spray clusters and multi-jet condensers, perforated plates, vibrio screens and high voltage transformer tanks.

The unit also has the capability to fabricate and erect machinery used in the secondary steel sector and was leveraged for partial fabrication for a Continuous Caster Machine structure, girders for overhead cranes and a vibratory scrap feeder to Crescent Hadeed Division – billet manufacturing unit.

COTTON DIVISION - COTTON YARN SPINNING UNIT

The Cotton Division comprises of one spinning unit with 19,680 spindles and is located in Jaranwala. The unit operating as "Crescent Cotton Products" (CCP), has a daily production capacity of 385 Bags of high quality cotton/synthetic carded yarn, in counts ranging from 10s to 31s.

CCP is a division of the company but its operating results are shown separately, CCP as a division is registered with Ministry of Textile Industry Pakistan and All Pakistan Textile Mills Association (APTMA).

CCP produces quality cotton/synthetic yarn with value addition of Slub, Siro and Compact Attachments. CCP is equipped with modern high-tech European and Japanese machinery ensuring a high-quality yarn making process, producing various counts from 10s to 31s and has a notional capacity (based on 20s) of 6.36 million Kgs per annum. The brand is known for high quality and demands a premium.

INVESTMENT AND INFRASTRUCTURE DEVELOPMENT DIVISION

The division manages a portfolio of equity investments and real estate. The portfolio is balanced in a way that spreads risk over a diversified spectrum and offers potential for growth as well as dividend yields, while real estate investments are held for rental as well as long term appreciation.

CS ENERGY DIVISION

A Power generation unit (Formerly operating as a fully owned subsidiary of Crescent Steel and Allied Products Limited) has recently merged with and into CSAPL.

The primary function of this unit is to provide electricity internally to Crescent Hadeed Division - Billet manufacturing unit and generate, accumulate, distribute, sell and supply electricity to Distribution companies, as permitted.

Initially equipped with a 15 MW co-generation, thermal generation power plant at Bhone, Punjab, and the Unit commenced commercial operations in December 2014. The Unit also employs a 16.5 MW condensing and extraction turbine to process steam during off-season periods to ensure uninterrupted supply to Crescent Hadeed Division throughout the year. The Generation Plants use bagasse in the combustion process to produce power and processed steam.

CRESCENT HADEED DIVISION– BILLET MANUFACTURING UNIT

A billet manufacturing unit (Formerly operating as a wholly owned subsidiary of Crescent Steel and Allied Products Limited) has recently merged with and into CSAPL.

At present, the unit operates a melt shop (equipped with two induction melting furnaces and a continuous casting machine) with an annual production capacity of 85,000 MT of steel billets in various sizes and a standard length of 6 meters. Billets manufactured by the Company are used by re-rolling mills to manufacture bars and other steel long products for use in the construction and engineering sectors.

SUBSIDIARY COMPANIES

CS CAPITAL (PRIVATE) LIMITED

CS Capital (Private) Limited is a fully owned subsidiary. The principal activity of the subsidiary is to manage investment portfolios in shares, real estate, commodities and other securities (strategic as well as short term).

SOLUTION DE ENERGY (PRIVATE) LIMITED

Solution de Energy which was previously operating as a fully owned subsidiary of CS Energy (Private) Limited, now operating as fully owned subsidiary of CSAPL, post amalgamation of CS Energy (Private) Limited and CSAPL.

The company was incorporated in October 2013, its principal activity being to build, own, operate and maintain a 100MW solar power project.



COMPANY INFORMATION

BOARD OF DIRECTORS

Ahmad Waqar

Chairman, Non-Executive Director

Ahsan M. Saleem

Chief Executive Officer

Farah Ayub Tarin

Non-Executive Director (Independent)

Farrukh V. Junaidy

Non-Executive Director (Independent)

Muhammad Kamran Saleem

Non-Executive Director (Independent)

Nadeem Maqbool

Non-Executive Director (Independent)

Nasir Shafi

Non-Executive Director

S.M. Ehtishamullah

Non-Executive Director

COMPANY SECRETARY

Iesha Fazal

AUDIT COMMITTEE

Farrukh V. Junaidy

Chairman, Non-Executive Director (Independent)

Nadeem Maqbool

Member, Non-Executive Director (Independent)

Nasir Shafi

Member, Non-Executive Director

S.M. Ehtishamullah

Member, Non-Executive Director

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Nadeem Maqbool

Chairman, Non-Executive Director (Independent)

Ahmad Waqar

Member, Non-Executive Director

Farah Ayub Tarin

Member, Non-Executive Director (Independent)

Nasir Shafi

Member, Non-Executive Director

GOVERNANCE AND NOMINATION COMMITTEE

Ahmad Waqar

Chairman, Non-Executive Director

Ahsan M. Saleem

Member, Chief Executive Officer

Farrukh V. Junaidy

Member, Non-Executive Director (Independent)

RISK MANAGEMENT COMMITTEE

S.M. Ehtishamullah

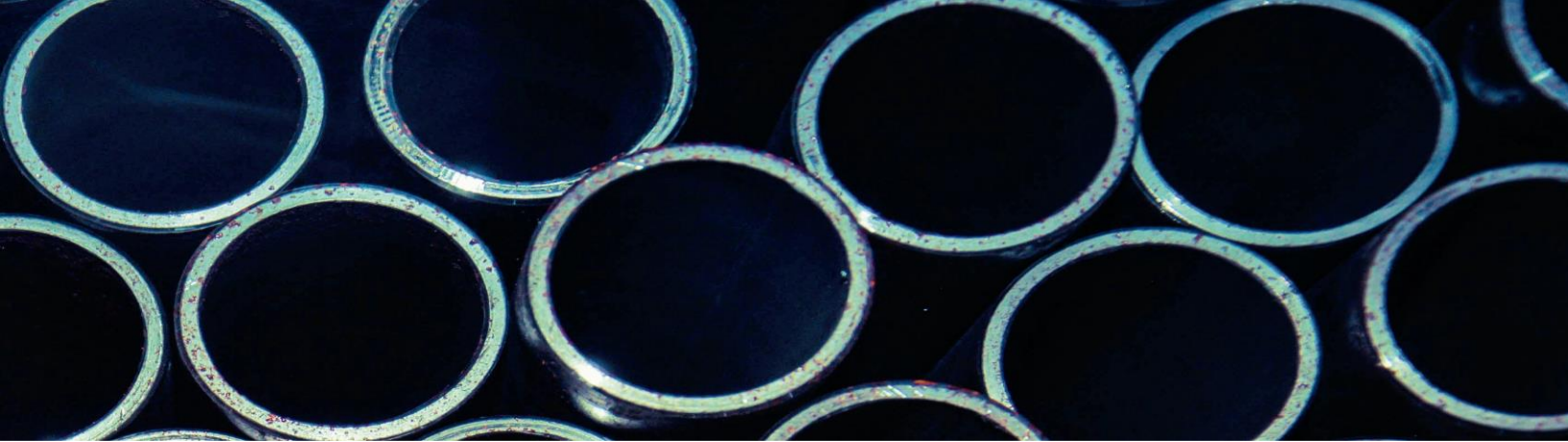
Chairman, Non-Executive Director

Farah Ayub Tarin

Member, Non-Executive Director (Independent)

Muhammad Kamran Saleem

Member, Non-Executive Director (Independent)



MANAGEMENT TEAM

Ahsan M. Saleem - 1983*

Chief Executive Officer and Managing Director

Muhammad Saad Thaniana - 2007*

Chief Financial Officer and
CEO Solution De Energy (Private) Limited

Abdul Rouf - 2000*

Business Unit Head - Cotton Division

Arif Raza - 1985*

Business Unit Head - Steel Division

Hajerah A. Saleem - 2012*

Business Unit Head - Investments and Infrastructure
Development Division, Head of Corporate Affairs
and CEO CS Capital (Private) Limited

Hasan A. Saleem - 2010*

Resident Director Cotton and Business Unit Head –
Crescent Hadeed

Abdullah A. Saleem - 2017*

Head of Supply Chain

Iqbal Abdulla - 2014*

IT Advisor

Mushtaque Ahmed - 1985*

Head of Manufacturing - Steel Division

HEAD OF INTERNAL AUDIT

Azeem Sarwar - 2018*

AUDITORS

External Auditors

A. F. Ferguson & Co.
Chartered Accountants

Internal Auditors

BDO Ebrahim & Co.
Chartered Accountants

LEGAL ADVISOR

Hassan and Hassan, Advocates, Lahore
A.K. Brohi & Co., Advocates, Karachi

BANKERS

Conventional

Allied Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Summit Bank Limited

Shariah Compliant

Al-Baraka Bank Pakistan Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan

* Year of Joining



SUBSIDIARIES**

CS Capital (Private) Limited
Solution de Energy (Private) Limited

REGISTERED OFFICE

E-Floor, IT Tower, 73-E/1, Hali Road,
Gulberg-III, Lahore.
Tel: +92 42 3578 3801-03
Fax: +92 42 3578 3811

LIAISON OFFICE LAHORE

E-Floor, IT Tower, 73-E/1, Hali Road,
Gulberg-III, Lahore.
Tel: +92 42 3578 3801-03
Fax: +92 42 3578 3811
Email: asif.randhawa@crescent.com.pk

PRINCIPAL OFFICE

9th Floor, Sidco Avenue Centre, 264 R.A. Lines,
Karachi-74200.
Tel: +92 21 3567 4881-85
Fax: +92 21 3568 0476
Email: info@crescent.com.pk

PRODUCTION SITES

STEEL DIVISION PIPE AND COATING PLANTS

A/25, S.I.T.E., Nooriabad, District
Jamshoro, Sindh-73090.
Tel: +92 25 4670 020-22, +92 25 4670 055
Email: arif.raza@crescent.com.pk

ENGINEERING UNIT

(Shakarganj Engineering)
17 Kilometer Summundri Road, Dalawal,
District Faisalabad, Punjab.
Tel : +92 41 2569 825-26
Fax: +92 41 2679 825

COTTON DIVISION CRESCENT COTTON PRODUCTS

1st Mile, Lahore Road, Jaranwala,
District Faisalabad.
Tel: +92 41 4318 061-65
Fax: +92 41 4318 066
Email: abdul.rouf@crescent.com.pk

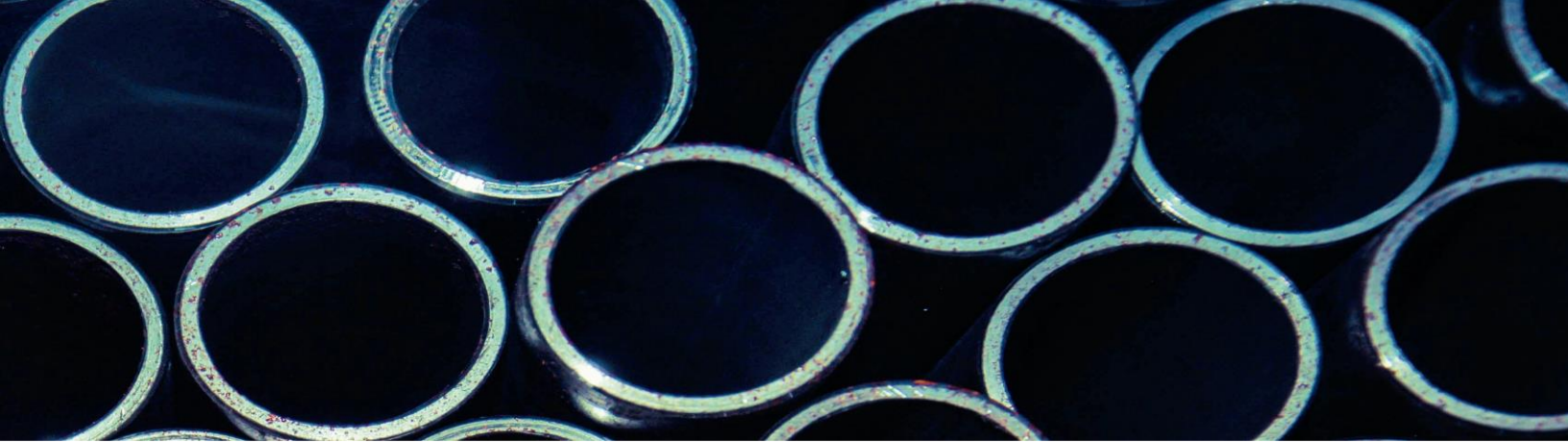
CRESCENT HADEED DIVISION BILLET MANUFACTURING UNIT

59 Kilometer, Jhang Sargodha Road,
Bhone, District Jhang.
Tel: +92 48 6889 210 - 12
Email: hasan@crescent.com.pk

CS ENERGY DIVISION POWER GENERATION UNIT

57 Kilometer, Jhang Sargodha Road,
Bhone, District Jhang.
Tel: +92 48 6889 210 – 12

** Registered Office and Principal Office are same as holding company



PUBLIC INFORMATION

Financial analysts, stock brokers, interested investors and financial media desiring information regarding the Company contact.

Ms. Iesha Fazal

Company Secretary

9th Floor, Sidco Avenue Centre, 264

R.A. Lines, Karachi-74200.

Tel: +92 21 3567 4881-85

Email: company.secretary@crescent.com.pk

SHARE REGISTRAR

Enquiries concerning lost share certificates, dividend payments, change of address, verification of transfer deeds and share transfers should be directed to Company's Share Registrar.

M/s CorpTec Associates (Private) Limited,

503-E Johar Town, Lahore.

Tel: +92 42 3517 0336-37

Fax: +92 42 3517 0338

Email: info@corptec.com.pk

CORPORATE WEBSITE

To visit our website, go to

www.crescent.com.pk



FINANCIAL STATEMENT

For 3rd Quarterly Yearly Report 2021 go to:

http://crescent.com.pk/wp-content/uploads/2021/03/3rd-Quarterly-Report_2021.pdf



DIRECTORS' REPORT

The Directors of your company are pleased to present their report together with unaudited unconsolidated and consolidated condensed interim financial statements of the Company and the Group respectively for the nine months period ended 31 March 2021.

ECONOMIC OUTLOOK

In the later half of FY2021, country's economy continues to grapple with third wave of Covid-19 with spiked positivity rate of around 8%. However on economic front, first half of FY 2021 has shown improvements with enhanced economic activity, GDP is expected to grow by 1.5% during FY 2021. Large-scale manufacturing (LSM) has surpassed its pre-COVID level of production in Jan FY 2021, witnessing 9.1 percent growth on YoY basis while on MoM basis, LSM increased by 5.4 percent in Jan FY 2021 (13.5 percent in Dec FY 2021). During Jul-Jan FY 2021, LSM grew by 7.9 percent (-3.2 percent last year).

Inflation (CPI) clocked in at 9.1% on a year-on-year basis in March 2021 as compared to 8.7% in the previous month and, 10.2% a year ago in March 2020.

Start of second half of FY2021 have witnessed considerable improvement in fiscal indicators. Substantial increase in net federal revenue receipts with effective management of expenditures helped in containing the fiscal deficit at 2.9 percent of GDP during Jul-Jan, FY2021.

FBR tax collection continues to improve. During Jul-Feb, FY2021, provisional tax collection witnessed a 6.0 percent growth to stand at Rs. 2,915 billion (Rs. 2,750 billion last year).

FDI recorded at \$ 1,300.4 million (\$ 1,854.5 million last year) while total foreign portfolio investment registered an outflow of \$ 388.5 million during FY2021.

Remittances rose to \$ 18.7 billion (\$ 15.1 billion last year), with a growth of 24.1 percent. On YoY basis, remittances recorded \$2.3 billion in Feb 2021. Foreign exchange reserves increased to \$20.1 billion by the end of Feb 2021.

FINANCIAL AND OPERATIONAL PERFORMANCE

Overall Financial Performance

Unconsolidated results for the nine months period ended 31 March 2021 (9MFY21):

The Company's after tax profit amounted to Rs. 362.5 million as compared to after tax loss of Rs. 5.3 million in the corresponding period last year. Earnings per share (EPS) for the current period was Rs. 4.67 compared to loss per share (LPS) of Rs. 0.07 in the corresponding period last year. Sales revenue stood at Rs. 5,723.7 million (9MFY20: Rs. 2,584.7 million); Steel division, Cotton division, Hadeed (Billet) division and CS Energy division generated 46.3 percent, 24.6 percent, 21.1 percent and 8.0% of the total sales respectively. Turnover of Steel division was Rs. 2,657.9 million (9MFY20: Rs. 489.3 million). Cotton Division posted a turnover of Rs. 1,406.6 million (9MFY20: Rs. 1,169.0 million), an increase of 20.3 percent. Hadeed (Billet) division and CS Energy division posted revenues of Rs. 1,206.9 million and Rs. 552.9 million respectively.

During 9MFY21, gross profit (GP) of the Steel division amounted to Rs. 455.5 million (9MFY20: gross loss of Rs. 117.4 million), whereas Cotton Division reported a gross profit of Rs. 161.2 million (9MFY20: gross profit Rs. 46.5 million). Hadeed (Billet) division reported gross loss of Rs. 15.4 million (9MFY20: GP of Rs. 11.0 million) while CS Energy division generated GP of Rs. 24.3 million (9MFY20: Gross loss of Rs. 4.0 million).

The Company's profit before tax (PBT) for 9MFY21 was Rs. 482.3 million as compared to loss before tax (LBT) of Rs. 112.3 million in 9MFY20. The Steel Division reported PBT of Rs. 193.6 million (9MFY20 LBT: Rs. 403.8 million). Cotton Division reported PBT of Rs. 132.1 million (9MFY20: Rs. 5.7 million). IID Division reported a PBT of Rs. 171.6 million (9MFY20 PBT: Rs. 314.9 million).

Summary of operating results as per unconsolidated Financial Statements of the company

- Sales revenue increased to Rs. 5,723.7 million as compared to Rs. 2,584.7 million in 9MFY20.
- Income from Investment amounted to Rs. 59.9 million as compared to Rs. 337.7 million in 9MFY20.
- Gross profit of Rs. 626.3 million as compared to a gross loss of Rs. 63.9 million in 9MFY20.
- Other income increased to Rs. 181.9 million as compared to Rs. 35.1 million in 9MFY20.
- Earnings before interest and tax (EBIT) for 9MFY21 was Rs. 641.9 million as compared to EBIT of Rs. 116.5 million in 9MFY20.
- EBITDA was Rs. 806.6 million as compared to Rs. 286.4 million in 9MFY20.
- EPS for 9MFY21 was Rs. 4.67, as compared to LPS of Rs. 0.07 for 9MFY20.
- Return on average capital employed (annualized) was 15.62 percent for 9MFY21 as compared to 1.55 percent in corresponding period last year.
- Break-up value per share increased to Rs. 74.91 from Rs. 70.18 as at 30 June 2020.

BUSINESS SEGMENTS

Steel Segment

Steel Division revenue for the 9MFY21 amounted to Rs. 2,657.9 million as compared to Rs. 489.3 million in corresponding period last year. GP for the period amounted to Rs. 455.5 million i.e. 17.1%, as compared to gross loss of Rs 117.4 million in corresponding period last year i.e. negative 24%. PBT for the period stood at Rs. 193.6 million (9MFY20: LBT of Rs. 403.8 million).

Cotton Segment

Cotton Division revenue for 9MFY21 amounted to Rs. 1,406.6 million (9MFY20: Rs. 1,169.0 million. Division posted GP of Rs. 161.8 million i.e. 11.5% of sales as compared to gross profit of Rs. 46.5 million in corresponding period last year. While, PBT for the period stood at Rs. 132.1 million (9MFY20: Rs. 5.7 million).

IID Segment

Market Review

During the third quarter of 2021 average traded volumes increased by 164 percent on year-on-year basis and 41 percent on quarter-on-quarter basis to 558 million shares/day (9MFY21: 482.75 million shares/day up 149 percent YoY) and average traded value improved by 188 percent YoY and 54 percent QoQ to Rs 24 billion/day (9MFY21: 18.9 billion/ day, up 164 percent YoY).

The third quarter of fiscal year 2021 saw the local bourse peaking at 47,339 points on 04 February 2021, almost 30% up from its close on 30 June 2020 at 34,422 points. KSE-100 index closed the quarter at 44,588 points gaining 1.90% or 832.47 points on a QoQ basis. On a YoY and FYTD basis the index is up 29.53% and 29.3%, respectively. However, the KSE-100 Index has lost 1,374 points or 3.0 percent during the month of March 2021.

Foreigners remained net sellers, at USD 295.12 million (c. PKR 48 billion) constituting to 0.58% of the total market capitalization (PKR 7.9 trillion). Most of this selling was absorbed by individuals on the local side buying USD 248.13 million worth of shares followed by Companies and Insurance who bought securities worth USD 117.83 million and USD 52.98 million, respectively.

Segment Performance

The portfolio's accumulated PBT for the nine month period ended 31 March 2021 stood at Rs. 171.61 million, as against PBT of Rs. 314.90 in the corresponding period last year.

During 9MFY21, the division's FVTPL segment excluding unquoted investments recorded a ROI of 25.6% on weighted average investments of Rs. 143.82 million whereas the benchmark KSE-100 index increased by 29.5%.

The PBT, includes dividend income of Rs. 12.3 million (9MFY20: Rs. 353.1 million) and unrealized gains of Rs. 36.8 million on Fair Value through Profit or Loss (FVTPL) segment.

Unconsolidated Balance Sheet

Balance sheet footing stood at Rs. 9,213.4 million as of 31 March 2021, compared to Rs 9,660.7 million on 30 June 2020. Break-up value per share increased to Rs. 74.91 from Rs. 70.18 as at 30 June 2020.

Current ratio improved to 1.29, as compared to 1.11 as at 30 June 2020. Gearing (including short term borrowings) decreased to 26.5 percent as compared to 35.5 percent as at 30 June 2020. Interest cover for 9MFY21 was 4.0 times (9MFY20: 0.6 times).

Overall Consolidated Financial Performance

On a consolidated basis, operating profit before finance costs and share of profit in equity accounted investees amounted to Rs. 715.3 million (9MFY20: Loss Rs. 272.7 million). Consolidated profit after tax for the Group for 9MFY21 was Rs. 703.6 million as compared to profit after tax of Rs. 30.9 million in 9MFY20. Net share of profit from equity-accounted associates amounted to Rs. 313.9 million (9MFY20: Rs. 265.2 million).

Consolidated EPS of the Group for 9MFY20 was Rs. 9.06 per share as compared to Rs. 0.4 per share respectively in the corresponding period last year.

During 9MFY21, profit after tax of CS Capital (Private) Limited – a wholly owned subsidiary amounted to Rs. 61.0 million (9MFY20: Loss after tax Rs. 34.4 million). This has resulted mainly due to unrealized gains of Rs. 54.7 million.

Consolidated Balance Sheet

On a Group basis, the consolidated balance sheet footing stood at Rs. 11,199.9 million, compared to Rs. 11,295.9 million as at 30 June 2020. Total shareholders' fund increased to Rs. 7,727.9 million from Rs. 7008.3 million as at 30 June 2020.

FUTURE OUTLOOK

While moving into last quarter, the outbreak of Covid-19 continues to make more challenging corporate environment around the world, industries suffered serious supply chain and transportation disruptions, cancelation of orders, raw material shortages, and at times complete lockdown, etc., impacting routine business operations.

Overall, a low finance cost base and easier access to capital, is expected to trigger growth and demand and keep input costs in check, inflationary pressures loom, however, remain largely benign and, the sizeable YoY import contraction in FY20, a stable USD/PKR parity and credit offtake will keep economic activity on a gradual uptick and the local bourse performance positive over FY21.

Ongoing supply disruptions induced by the Covid-19 pandemic in regional countries has created an opportunity for Pakistani Textile Exporters to grab additional export orders from Europe and America giving boost to exports.

Recently, we have few orders in hand execution of these orders are expected in Q4FY21 and Q1FY22. Additionally, we forecast work on some major pipeline projects including North South Gas Pipeline Project to commence in due course. At our end we continue to be vigilant and ready.

Substantial surge in prices of raw materials will be a challenge to remain competitive and defend the margins.

Company will continue to work tirelessly to keep its employees, business partners and communities safe and healthy. Finally, we would like to thank all stakeholders for their patronage and look forward to their continued support.

For and behalf of Board of Directors.



Ahsan M. Saleem
Chief Executive Officer



Nadeem Maqbool
Director

Dated: 29 April 2021

ڈائریکٹروں کی رپورٹ

آپ کی کمپنی کے ڈائریکٹر ز انتہائی مسرت کے ساتھ آپ کی خدمت میں کمپنی و گروپ کی رپورٹ بمعہ غیر آڈٹ شدہ غیر یکجا و یکجا مرکز عبوری مالیاتی دستاویزات بابت نو ماہی اختتامیہ 31 مارچ 2021 پیش کر رہے ہیں۔

معاشی منظر نامہ

مالی سال 2021 کے دوسرے نصف میں ملکی معیشت کو وڈ-19 کی تیسری لہر سے نبرد آزما ہے جس کے مثبت ہونے کی شرح نمو 8% تک پہنچ چکی ہے۔ تاہم معاشی لحاظ سے مالی سال 2021 کے پہلے نصف میں معاشی سرگرمیوں میں تیزی کے ساتھ حالات بہتری کی جانب گامزن رہے، مالی سال 2021 کے دوران جی ڈی پی کی شرح 1.5% تک رہنے کی توقع ہے۔ جنوری 2021 میں بڑے پیمانے پر صنعتوں کی جانب سے کو وڈ-19 سے پہلے کے دوران کے مقابلے میں پیداواری عمل زیادہ رہا۔ جنوری 2021 میں سال بہ سال کی بنیاد پر ان صنعتوں میں شرح نمو 9.1% رہی جبکہ ماہانہ بنیادوں پر یہ شرح 5.4% رہی (بمطابق دسمبر 2021 یہ شرح 13.5% ریکارڈ کی گئی)۔ مالی سال 2021 میں جولائی تا جنوری بڑے پیمانے کی صنعتوں کی شرح نمو 7.9% رہی (جبکہ گزشتہ مالی سال اس عرصے کے دوران یہ شرح منفی 3.5% ریکارڈ کی گئی تھی)۔

سال بہ سال کی بنیاد پر مارچ 2021 میں افراط زر (CPI) 9.1% تک ریکارڈ کی گئی جو کہ گزشتہ ماہ 8.7% اور ایک سال قبل مارچ 2020 میں 10.2% ریکارڈ کی گئی تھی۔

مالی سال 2021 کے دوسرے نصف کے آغاز میں مالیاتی اشاریوں میں خاطر خواہ بہتری پیدا ہوئی ہے۔ وفاقی حکومت کی جانب سے حکومتی آمدن میں خاطر خواہ اضافہ اور اخراجات میں بہتر نظم و نسق کی وجہ سے مالی سال 2021 میں جون اور جولائی کے دوران مالیاتی خسارے کو جی ڈی پی کے 2.9% تک روکے رکھنے میں کامیابی ملی۔

FBR کی جانب سے ٹیکس جمع کرنے کی شرح میں اضافہ ہو رہا ہے۔ مالی سال 2021 میں جولائی تا فروری پر وڈیل ٹیکس جمع کرنے کی شرح 6.0% رہی اور اس شرح نمو کے ساتھ یہ رقم 2,915 بلین روپے ریکارڈ کی گئی ہے (گزشتہ مالی سال یہ رقم 2,750 بلین روپے درج کی گئی تھی)۔

غیر ملکی براہ راست سرمایہ کاری (FDI) کا حجم 1,300 بلین ڈالر رہا (گزشتہ مالی سال یہ حجم 1,854.5 بلین ڈالر ریکارڈ کیا گیا تھا)، جبکہ مالی سال 2021 کے دوران مجموعی غیر ملکی پورٹ فولیو سرمایہ کاری کی مد میں 388.5 بلین ڈالر ملک سے باہر بھیجے گئے۔

غیر ملکی رقوم کی ترسیلات بڑھ کر 18.7 بلین ڈالر ہو چکی ہے (گزشتہ مالی سال 15.1 بلین ڈالر کی ترسیلات ریکارڈ کی گئی تھیں) اور اس سلسلے میں شرح نمو 24.1% رہی۔ سال بہ سال کی بنیاد پر فروری 2021 میں غیر ملکی رقوم کی ترسیلات 2.3 بلین ڈالر ریکارڈ کی گئی ہیں۔ فروری 2021 کے آخر تک ملک میں غیر ملکی زرمبادلہ کے ذخائر 20.1 بلین ڈالر تک پہنچ چکے ہیں۔

مالیاتی و کاروباری کارکردگی

مجموعی مالیاتی کارکردگی

غیر یکجا نتائج برائے نو ماہی اختتامیہ 31 مارچ 2021

کمپنی کا منافع بعد از ٹیکس 362.5 ملین روپے رہا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران 5.3 ملین روپے کا نقصان درج کیا گیا تھا۔ زیر نظر دورانیہ کیلئے آمدن فی حصص 4.67 روپے رہی جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران 0.07 روپے کا نقصان فی حصص درج کیا گیا تھا۔ زیر نظر عرصے کے دوران آمدن از فروخت 5,723.7 ملین روپے درج کی گئی ہے (بمطابق نو ماہی 2020 آمدن از فروخت 2,584.7 ملین روپے درج کی گئی تھی)۔ مجموعی فروخت میں اسٹیل ڈویژن، کاٹن ڈویژن، حدید (بلٹ) ڈویژن اور سی ایس انرجی ڈویژن کا حصہ بالترتیب 46.3%، 24.6%، 21.1% اور 8.0% رہا۔ اسٹیل ڈویژن کا کاروباری حجم 2,657.9 ملین روپے رہا (489.3 ملین روپے بمطابق نو ماہی 2020)، کاٹن ڈویژن کی کاروباری حجم 1,406.6 ملین روپے رہا (1,169.0 ملین روپے بمطابق نو ماہی 2020) یعنی 20.3% کا اضافہ ریکارڈ کیا گیا ہے۔ حدید (بلٹ) ڈویژن اور سی ایس انرجی ڈویژن کی جانب سے کاروباری حجم بالترتیب 1,206.9 ملین روپے اور 552.9 ملین روپے درج کیا گیا ہے۔

مالی سال 2021 کی نو ماہی کے دوران اسٹیل ڈویژن کا خام منافع 455.5 ملین روپے رہا (117.4 ملین روپے خام نقصان بمطابق نو ماہی 2020)، جبکہ کاٹن ڈویژن کا خام منافع 161.2 ملین روپے رہا (46.5 ملین خام منافع بمطابق نو ماہی 2020)۔ حدید (بلٹ) ڈویژن کی جانب سے خام نقصان 15.4 ملین روپے رہا (11.0 ملین روپے خام منافع بمطابق نو ماہی 2020) جبکہ سی ایس انرجی ڈویژن نے 24.3 ملین روپے خام منافع کمایا (4.0 ملین روپے خام منافع بمطابق نو ماہی 2020)۔

مالی سال 2021 کی نو ماہی کے دوران کمپنی کا منافع قبل از ٹیکس 482.3 ملین روپے رہا جبکہ مالی سال 2020 کی نو ماہی کے دوران 112.3 ملین روپے کا نقصان ریکارڈ کیا گیا تھا۔ اسٹیل ڈویژن کی جانب سے 193.6 ملین روپے کا منافع قبل از ٹیکس کمایا گیا (403.8 ملین روپے نقصان قبل از ٹیکس بمطابق نو ماہی 2020)، کاٹن ڈویژن کا منافع قبل از ٹیکس 132.1 ملین روپے رہا (5.7 ملین روپے منافع قبل از ٹیکس بمطابق نو ماہی 2020)۔ آئی آئی ڈی ڈویژن کی جانب سے 171.6 ملین روپے کا منافع قبل از ٹیکس کمایا گیا ہے (314.9 ملین روپے منافع قبل از ٹیکس بمطابق نو ماہی 2020)۔

کمپنی کے کاروباری نتائج کا خلاصہ بمطابق غیر مربوط مالیاتی دستاویزات

☆ آمدن از فروخت بڑھ کر 5,723.7 ملین روپے ہو گئی جبکہ گزشتہ مالی سال کی نو ماہی کے دوران یہ آمدن 2,584.7 ملین روپے تھی۔

☆ آمدن از سرمایہ کاری 59.9 ملین روپے رہی جبکہ گزشتہ مالی سال نو ماہی کے دوران یہ آمدن 337.7 ملین روپے ریکارڈ کی گئی تھی۔

☆ خام منافع 626.3 ملین روپے رہا جبکہ گزشتہ مالی سال کے دوران خام نقصان 63.9 ملین روپے ریکارڈ کیا گیا تھا۔

☆ دیگر آمدن بڑھنے کے بعد 181.9 ملین روپے ریکارڈ کی گئی ہے جبکہ گزشتہ مالی سال کے دوران یہ آمدن 35.1 ملین روپے ریکارڈ کی گئی تھی۔

☆ آمدن قبل از سود و ٹیکس زیر نظر نو ماہی کے دوران 641.9 ملین روپے رہی جبکہ گزشتہ مالی سال کے دوران یہ آمدن 116.5 ملین روپے ریکارڈ کی گئی تھی۔

☆ آمدن قبل از سود و ٹیکس و فرسودگی 806.6 ملین روپے ریکارڈ کی گئی جبکہ گزشتہ نو ماہی کے دوران یہ آمدن 286.4 ملین روپے ریکارڈ کی گئی تھی۔

☆ مالی سال 2021 کی نو ماہی کیلئے آمدن فی حصص 4.67 روپے ریکارڈ کی گئی ہے جبکہ گزشتہ نو ماہی کے دوران 0.07 روپے کا نقصان فی حصص ریکارڈ کیا گیا تھا۔

☆ اوسط حاصل شدہ کیپیٹل پر (سالانہ) نفع 15.62% رہا جبکہ گزشتہ مالی سال کے دوران یہ شرح فیصد 1.55% ریکارڈ کی گئی تھی۔

☆ بریک اپ ویلیو فی حصص بڑھ کر 74.91 روپے رہی جو کہ 20 جون 2020 تک 70.18 روپے ریکارڈ کی گئی تھی۔

کاروباری شعبے

اسٹیل کا شعبہ

مالی سال 2021 کی نو ماہی کیلئے آمدن از فروخت 2,657.9 ملین روپے ریکارڈ کی گئی ہے جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ آمدن از فروخت 489.3 ملین روپے ریکارڈ کی گئی تھی۔ زیر نظر عرصے کے دوران خام منافع 455.5 ملین روپے رہا جو کہ 17.1% بنتا ہے جبکہ گزشتہ مالی سال کے دوران یہ 117.4 ملین روپے کا خام نقصان ریکارڈ کیا گیا تھا جو کہ منفی 24% تھا۔ زیر نظر عرصے کے دوران منافع قبل از ٹیکس 193.6 ملین روپے ریکارڈ کیا گیا (گزشتہ مالی سال کی نو ماہی کے دوران 403.8 ملین روپے کا نقصان قبل از ٹیکس ریکارڈ کیا گیا تھا)۔

کاٹن کا شعبہ

مالی سال 2021 کی نو ماہی کے دوران کاٹن کے شعبے کی آمدن از فروخت 1,406.6 ملین روپے ریکارڈ کی گئی (گزشتہ مالی سال کی نو ماہی کی آمدن 1,169.0 ملین روپے تھی، شعبے کی جانب سے 161.8 ملین روپے کا خام منافع کمایا گیا جو کہ فروخت کا 11.5% بنتا ہے، گزشتہ مالی سال کے دوران خام منافع 46.5 ملین روپے ریکارڈ کیا گیا تھا۔ جبکہ زیر نظر عرصے کے دوران منافع قبل از ٹیکس 132.1 ملین روپے ریکارڈ کیا گیا ہے (یہ منافع قبل از ٹیکس گزشتہ نو ماہی کیلئے 5.7 ملین روپے ریکارڈ کیا گیا تھا)۔

آئی آئی ڈی کا شعبہ

مارکیٹ کا جائزہ

مالی سال 2021 کی تیسری سہ ماہی کے دوران اوسطاً تجارت کا حجم سال بہ سال کی بنیاد پر 164% بڑھا اور سہ ماہی کی بنیاد پر اس میں 41% اضافہ ہوا اور اس اضافے کے

ساتھ یہ تجارت 558 ملین حصص یومیہ رہی (مالی سال 2021 کی نو ماہی کے دوران 482.75 ملین حصص یومیہ 149% تک سال بہ سال کی بنیاد پر) اور اوسطاً تجارت کی قدر میں 188% سال بہ سال اور 54% سہ ماہی بہ سہ ماہی کی بنیاد پر اضافہ کے ساتھ 24 ملین یومیہ تھا (مالی سال 2021 کی نو ماہی کے دوران 18.9 ملین یومیہ، سال بہ سال کی بنیاد پر 164% تک کا اضافہ ہوا)۔

مالی سال 2021 کی تیسری سہ ماہی میں 4 فروری 2021 کو اسٹاک مارکیٹ میں 47,339 پوائنٹس کے ساتھ زبردست اضافہ دیکھا گیا، 30 جون 2020 کو بند ہونے سے تقریباً 30% زیادہ 34,422 پوائنٹس پر۔ کے ایس ای 100 انڈیکس سہ ماہی کے اختتام پر 44,588 پوائنٹس پر بند ہوا اور اس میں سہ ماہی بہ سہ ماہی 1.90% یا 832.47 پوائنٹس کا اضافہ ریکارڈ کیا گیا۔ سال بہ سال اور مالی سال سے اب تک کی بنیاد پر بالترتیب انڈیکس میں 29.53% اور 29.3% اضافہ ریکارڈ کیا گیا۔ تاہم کے ایس ای 100 انڈیکس نے مارچ 2021 کے دوران 1,374 پوائنٹس یا 3% کا نقصان کیا ہے۔

غیر ملکی صرف فروخت کنندہ ہی رہے جس کا حجم 295.12 ملین ڈالر رہا (تقریباً 48 ملین پاکستانی روپے) اور یہ مارکیٹ کے کل کپٹلائزیشن (7.9 ٹریلین روپے) کا 0.58% بنتا ہے۔ ان میں سے زیادہ تر فروخت کو مقامی طور پر افراد کی جانب سے خرید لیا گیا جس کا حجم 248.13 ملین ڈالر بنتا ہے، اس کے بعد کمپنیوں اور انشورنس کمپنیوں کی جانب سے خرید کی گئی جنہوں نے بالترتیب 117.83 اور 52.98 ملین ڈالر کی سیکورٹیز کو خریدیں۔

شعبے کی کارکردگی

نو ماہی اختتامیہ 31 مارچ 2021 کیلئے پورٹ فولیو کا جمع شدہ منافع قبل از ٹیکس 171.61 ملین روپے ہے، جبکہ گزشتہ مالی سال کے دوران یہ منافع قبل از ٹیکس 314.90 ملین روپے ریکارڈ کیا گیا تھا۔

مالی سال 2021 کی نو ماہی کے دوران ڈویژن کے مالیاتی اثاثے (FVTPL) پر ان کوئٹڈ سرمایہ کاری کو منہا کرنے کے بعد سرمایہ کاری پر 25.6% کا منافع از سرمایہ کاری کمایا گیا جو 143.82 ملین کی اوسط سرمایہ کاری پر حاصل کیا گیا جبکہ کے ایس ای-100 انڈیکس میں 29.5% کا اضافہ ہوا۔

منافع قبل از ٹیکس میں ڈیویڈنڈ سے حاصل ہونے والی آمدن 12.3 ملین روپے شامل ہے (مالی سال 2021 کی نو ماہی میں یہ آمدن 353.1 ملین روپے ریکارڈ کیا گیا تھا) اور اس میں غیر اخذ شدہ منافع 36.8 ملین روپے برائے شعبہ (FVTPL) شامل ہیں۔

غیر مربوط بیلنس شیٹ

بتاریخ 31 مارچ 2021 بیلنس شیٹ کا میزانیہ 9,213.4 ملین روپے ریکارڈ کیا گیا جبکہ 30 جون 2020 کو یہ میزانیہ 9,660.7 ملین روپے تھا۔ اسی طرح فی حصص بریک اپ ویلیو بڑھنے کے بعد 74.91 ریکارڈ کی گئی ہے جو 30 جون 2020 کو 70.18 روپے ریکارڈ کی گئی تھی۔

30 جون 2020 کو کرنٹ ریٹو 1.11 تھا جو کہ بہتر ہونے کے بعد 1.29 ہو چکا ہے۔ گنیرنگ (بشمول قیل المدتی قرضے) کم ہو کر 26.5% تک آچکے ہیں جو

13 کہ 30 جون 2020 تک 35.5% تھی۔ انٹرسٹ کو وربرائے نو ماہی 2021 تک 4.0 گنا ہو چکی ہے جبکہ نو ماہی 2020 تک یہ 0.6 گنا تھی۔

مجموعی یکجا مالیاتی کارکردگی

مجموعی طور پر کاروباری منافع قبل از تمویلی لاگت اور منافع بابت ایکویٹی 715.3 ملین روپے رہا (272.7 ملین روپے نقصان بمطابق نو ماہی 2020)۔ نو ماہی 2021 کیلئے گروپ کا یکجا منافع بعد از ٹیکس 703.6 ملین روپے رہا، جبکہ گزشتہ مالی سال کی سہ ماہی میں منافع بعد از ٹیکس 30.9 ملین روپے ریکارڈ کیا گیا تھا۔ ایکویٹی اکاؤنٹس ایسٹس کی جانب سے منافع 313.9 ملین روپے رہا (مالی سال 2020 کی نو ماہی کے مطابق 265.2 ملین روپے ریکارڈ کیا گیا تھا)۔

مالی سال 2020 کی نو ماہی کیلئے گروپ کی یکجا آمدن فی حصص 9.06 روپے تھی جبکہ اس سے قبل اسی عرصے کے دوران آمدن فی حصص 0.4 روپے ریکارڈ کی گئی تھی۔ مالی سال 2021 کی نو ماہی کے دوران سی ایس کیپٹل (پرائیویٹ) لمیٹڈ - مکمل ملکیت کے ساتھ ایک ذیلی ادارہ - کا منافع بعد از ٹیکس 61.0 ملین روپے رہا (2020 کی نو ماہی کیلئے 34.4 ملین روپے نقصان بعد از ٹیکس ریکارڈ کیا گیا تھا)۔ یہ نتیجہ غیر اخذ شدہ 54.7 ملین روپے کا منافع اخذ کرنے کی وجہ سے برآمد ہوا۔

یکجا بیلنس شیٹ

گروپ کی سطح پر یکجا بیلنس شیٹ کا میزانیہ 11,199.9 ملین روپے ہے جو کہ 30 جون 2020 تک 11,295.9 ملین روپے تھا۔ حصص داران کا کل فنڈ بڑھ کر 7,727.9 ملین روپے ہو چکا ہے جو کہ 30 جون 2020 تک 7008.3 ملین روپے تھا۔

مستقبل پر نظر

اگر ہم گزشتہ سہ ماہی میں جھانک کر دیکھیں تو معلوم ہوتا ہے کہ کووڈ-19 کی وباء کی وجہ سے پوری کاروباری دنیا عالمی سطح پر مسائل سے دوچار رہی۔ صنعتوں کو بڑے پیمانے پر سپلائی چین اور ٹرانسپورٹ کے مسائل کا سامنا کرنا پڑا، بہت سے آرڈر منسوخ ہو گئے، خام مال کی قلت پیدا ہو گئی اور کبھی کبھار لگائے جانے والے مکمل لاک ڈاؤن کی وجہ سے معمول کی کاروباری سرگرمیاں بھی بری طرح متاثر ہوئیں۔

مجموعی طور پر کم تمویلی لاگت اور سرمائے تک آسانی رسائی کے ساتھ شرح نمو اور طلب میں اضافہ کیا جاسکتا ہے، پیداواری لاگت کو قابو میں رکھا جاسکتا ہے، تاہم افراط زر کی تلوار اب اس شدت کے ساتھ نہیں لٹک رہی اور سال بہ سال کی بنیاد پر مالی سال 2020 کے دوران درآمدات میں آنے والی کمی، ڈالر کے مقابلے میں روپے کے استحکام اور کریڈٹ کی صورت حال بہتر ہونے کی وجہ سے ہماری معیشت بتدریج بہتری کی جانب گامزن ہے اور مالی سال 2021 میں اسٹاک مارکیٹ کی کارکردگی بھی مجموعی طور پر مثبت رہی ہے۔

ہمارے خطے میں مجموعی طور پر سپلائی کی صورت حال درہم برہم ہونے کی وجہ سے، جس میں کووڈ-19 کا اثر بھی شامل ہے، پاکستان کے ٹیکسٹائل برآمد کنندگان کا ایک موقع حاصل ہوا ہے کہ یورپ اور امریکہ سے اضافی آرڈر بھی حاصل کریں تاکہ ہماری درآمدات کو بڑھایا جاسکے۔

حالیہ ہمارے پاس کچھ ہی آرڈر ہیں اور ان آرڈرز پر مالی سال 2021 کی چوتھی سہ ماہی اور مالی سال 2022 کی پہلی سہ ماہی تک عمل درآمد ہونے کی امید ہے۔ علاوہ ازیں، ہم توقع رکھتے ہیں کہ پائپ لائن میں موجود چند بڑے پروجیکٹس پر بھی عمل درآمد ہوگا جن میں نارتھ سائڈ تھ گیس پائپ لائن پروجیکٹ شروع ہونے کے قریب نظر آ رہا ہے۔ ہماری جانب سے پوری تیاری ہے اور ہم مستعد ہیں۔

خام مال کی قیمت میں خاطر خواہ اضافے کی وجہ سے آئندہ مسابقت کا سامنا کرنے اور کاروبار کو منافع بخش رکھنے میں دشواریاں پیش آسکتی ہیں۔

کمپنی کی جانب سے اپنے ملازمین، کاروباری شراکت داروں اور کمیونٹیز کو محفوظ اور صحت مندر رکھنے کیلئے بھرپور کوششیں جاری رکھی جائیں گی۔ آخر میں، ہم اپنے تمام شراکت داروں کا تہہ دل سے شکریہ ادا کرنا چاہتے ہیں کہ ہمیں ان کی سرپرستی حاصل رہی اور امید کرتے ہیں کہ آئندہ بھی ان کی حمایت ہمیں حاصل رہے گی۔

برائے و منجانب ڈائریکٹرز

ندیم مقبول
ڈائریکٹر

احسن ایم سلیم
چیف ایگزیکٹو آفیسر

بتاریخ: 29 اپریل 2021

Crescent Steel and Allied Products Limited

CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Financial Position (Unaudited)
As at 31 March 2021

	Note	Unaudited 31 March 2021	Audited 30 June 2020
----- (Rupees in '000) -----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,945,381	2,105,672
Right-of-use assets		144,722	168,600
Intangible assets		4,947	888
Investment properties		57,955	19,700
Long term investments	6	2,308,160	2,303,777
Long term deposits	7	235,845	224,748
Deferred taxation		424,458	462,662
		<u>5,121,468</u>	<u>5,286,047</u>
Current assets			
Stores, spares and loose tools		153,031	169,232
Stock-in-trade	8	1,765,562	2,130,741
Trade debts	9	128,236	225,799
Loans and advances	10	309,799	145,225
Trade deposits and short term prepayments		78,285	63,057
Investments	11	215,062	124,611
Other receivables	12	253,129	219,512
Taxation - net		1,128,560	1,273,141
Cash and bank balances		60,281	23,388
		<u>4,091,945</u>	<u>4,374,706</u>
Total assets		<u><u>9,213,413</u></u>	<u><u>9,660,753</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
100,000,000 ordinary shares of Rs. 10 each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up capital		776,325	776,325
Capital reserves		1,020,908	1,020,908
Revenue reserves		<u>4,017,896</u>	<u>3,651,055</u>
		<u>5,815,129</u>	<u>5,448,288</u>
Non-current liabilities			
Long-term loans	13	157,253	190,335
Lease liabilities		50,685	64,820
Deferred income		5,394	7,053
Deferred liability - staff retirement benefits		23,713	23,713
		<u>237,045</u>	<u>285,921</u>
Current liabilities			
Trade and other payables	14	1,154,232	1,068,500
Unclaimed dividend		25,763	26,443
Mark-up accrued		28,304	54,214
Short term borrowings	15	1,755,313	2,675,360
Current portion of long-term loans	13	161,558	49,345
Current portion of lease liabilities		26,653	46,467
Current portion of deferred income		9,416	6,215
		<u>3,161,239</u>	<u>3,926,544</u>
Contingencies and commitments	16	3,398,284	4,212,465
Total equity and liabilities		<u><u>9,213,413</u></u>	<u><u>9,660,753</u></u>

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For the quarter and nine months ended 31 March 2021

	Note	Quarter ended		Nine months ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
----- (Rupees in '000) -----					
Sales	17	2,228,531	1,305,116	6,698,026	3,024,990
Less: sales tax		323,975	189,741	974,333	440,331
		1,904,556	1,115,375	5,723,693	2,584,659
Cost of sales		1,769,598	1,103,637	5,097,415	2,648,553
Gross profit / (loss)		134,958	11,738	626,278	(63,894)
Income from investments - net	18	11,939	114,727	59,864	337,732
		146,897	126,465	686,142	273,838
Distribution and selling expenses		5,208	4,428	10,927	11,918
Administrative expenses		58,468	63,459	185,314	180,405
Other operating expenses	19	2,975	94	29,886	107
		66,651	67,981	226,127	192,430
		80,246	58,484	460,015	81,408
Other income		16,643	10,617	181,883	35,064
Operating profit before finance costs		96,889	69,101	641,898	116,472
Finance costs	20	48,482	87,248	159,589	228,739
Profit / (loss) before taxation		48,407	(18,147)	482,309	(112,267)
Taxation					
- current for the period		(30,457)	(29,558)	(89,129)	(67,175)
- current for prior year		8,423	-	6,745	-
- deferred		23,506	68,348	(37,468)	174,138
		1,472	38,790	(119,852)	106,963
Profit / (loss) for the period		49,879	20,643	362,457	(5,304)
Other Comprehensive Income					
Items that will not be reclassified subsequently to profit or loss					
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI)		2,207	(2,561)	4,384	(1,403)
Total comprehensive income / (loss) for the period		52,086	18,082	366,841	(6,707)
----- (Rupees) -----					
Earnings / (loss) per share - Basic and diluted	21	0.64	0.27	4.67	(0.07)

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer
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Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)
For the nine months ended 31 March 2021

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves			Total revenue reserves	Total
		Share premium	Fair value reserve	General reserve	Unappropriated profit / (loss)		
	(Rupees in '000)						
Balance as at 1 July 2019	776,325	1,020,908	5,818	3,642,000	(50,988)	3,596,830	5,394,063
Total comprehensive loss for the period							
Loss after taxation for the period	-	-	-	-	(5,304)	(5,304)	(5,304)
Other comprehensive loss for the period	-	-	(1,403)	-	-	(1,403)	(1,403)
Total comprehensive loss for the period	-	-	(1,403)	-	(5,304)	(6,707)	(6,707)
Balance as at 31 March 2020	776,325	1,020,908	4,415	3,642,000	(56,292)	3,590,123	5,387,356
Balance as at 1 July 2020	776,325	1,020,908	5,393	3,642,000	3,662	3,651,055	5,448,288
Total comprehensive income for the period							
Profit after taxation for the period	-	-	-	-	362,457	362,457	362,457
Other comprehensive income for the period	-	-	4,384	-	-	4,384	4,384
Total comprehensive income for the period	-	-	4,384	-	362,457	366,841	366,841
Balance as at 31 March 2021	776,325	1,020,908	9,777	3,642,000	366,119	4,017,896	5,815,129

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited

Condensed Interim Unconsolidated Statement of Cash Flows (Unaudited)

For the nine months ended 31 March 2021

	Note	Nine months ended	
		31 March 2021	31 March 2020
		----- (Rupees in '000) -----	
Cash flows from operating activities			
Cash generated from / (used in) operations	22	963,443	(397,840)
Taxes refund received / (paid)		62,197	(83,380)
Finance costs paid		(171,451)	(194,620)
Contribution to gratuity and pension funds		(17,582)	(17,246)
Contribution to Workers' Profit Participation Fund		-	(3,523)
Long term deposits - net		-	4,561
Net cash generated from / (used in) operating activities		836,607	(692,048)
Cash flows from investing activities			
Capital expenditure		(37,636)	(8,384)
Acquisition of intangible assets		(4,483)	3
Proceeds from disposal of operating fixed assets and investment property		153,440	5,274
Investments - net		(47,548)	36,153
Dividend income received		10,936	352,424
Interest income received		488	791
Net cash generated from investing activities		75,197	386,261
Cash flows from financing activities			
Proceeds from / (repayments of) long term loans - net		79,125	(87,670)
Payments against finance lease obligations		(33,309)	(47,100)
(Repayments of) / proceeds from short term loans obtained - net		(912,936)	639,140
Dividends paid		(680)	(82)
Net cash (used in) / generated from financing activities		(867,800)	504,288
Net increase in cash and cash equivalents		44,004	198,501
Cash and cash equivalents at beginning of the period		(558,929)	(818,640)
Cash and cash equivalents at end of the period	23	(514,925)	(620,139)

The annexed notes from 1 to 27 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the nine months ended 31 March 2021

1. THE COMPANY AND ITS OPERATIONS

Crescent Steel and Allied Products Limited ("the Company") was incorporated on 1 August 1983 as a public limited company in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The registered office of the Company is located at E-floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore. Whereas its principal office is situated at 9th floor, Sidco Avenue Centre, 264 R.A. Lines, Karachi.

The Company operates five segments namely Steel, Cotton, Investment and Infrastructure Development (IID), Energy and Hadeed (Billet) as disclosed in note 24 to these condensed interim unconsolidated financial statements.

2. BASIS OF PREPARATION

2.1 These condensed interim unconsolidated financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim unconsolidated financial statements of the Company do not include all of the information required for annual unconsolidated financial statements and should be read in conjunction with the audited annual unconsolidated financial statements of the Company for the year ended 30 June 2020. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last audited annual unconsolidated financial statements.

2.3 The figures included in the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half year ended 31 December 2020.

3. ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the audited annual unconsolidated financial statements for the year ended 30 June 2020.

3.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE COMPANY

3.2.1 There were certain amendments to accounting and reporting standards which become effective from 1 July 2020 but they do not have a material effect on these condensed interim unconsolidated financial statements and therefore detailed have not been disclosed.

3.3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS THAT ARE NOT YET EFFECTIVE

There is a new standard and certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after 1 July 2021. However, currently management considers that these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim unconsolidated financial statements.

4. USE OF ESTIMATES AND JUDGEMENTS

4.1 The preparation of condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

4.2 Estimates and judgements made by management in the preparation of these condensed interim unconsolidated financial statements are the same as those that were applied to the annual unconsolidated financial statements of the Company for the year ended 30 June 2020.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
Operating fixed assets	5.1	1,836,707	2,014,201
Capital work-in-progress	5.2	108,674	91,471
		<u>1,945,381</u>	<u>2,105,672</u>

- 5.1 Following are the cost of operating fixed assets added / transferred and disposed off during the nine months period ended:

	Unaudited Nine months ended 31 March 2021		Unaudited Nine months ended 31 March 2020	
	Additions / Transfers	Disposals / Transfers	Additions / Transfers	Disposals
	----- (Rupees in '000) -----			
Land	-	56,757	-	-
Plant and machinery - owned	-	53,148	3,396	-
Plant and machinery - leased	-	-	-	3,396
Electrical / office equipments and installation	579	72	429	606
Computers	1,750	860	324	2,437
Motor vehicles - owned	17,184	-	4,235	5,373
Motor vehicles - leased	-	975	-	1,024
	<u>19,513</u>	<u>111,812</u>	<u>8,384</u>	<u>12,836</u>

- 5.2 Net additions to capital work-in-progress during the nine months period ended 31 March 2021 amounted to Rs. 17.203 million (During the nine months period ended 31 March 2020: Rs. 1.894 million).

6. LONG TERM INVESTMENTS

	Note	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
Subsidiary companies - at cost	6.1	525,001	525,001
Associated companies - at cost	6.2	1,286,401	1,286,401
Other long term investments	6.3	496,758	492,375
		<u>2,308,160</u>	<u>2,303,777</u>

6.1 Subsidiary companies - at cost

Unaudited 31 March 2021	Audited 30 June 2020			Unaudited 31 March 2021	Audited 30 June 2020
(Number of shares)		Unquoted		----- (Rupees in '000) -----	
52,500,000	52,500,000	CS Capital (Private) Limited (Chief Executive Officer - Ms. Hajerah Ahsan Saleem)	6.1.1	525,000	525,000
2	2	Crescent Continental Gas Pipelines Limited (US \$ 1 each)	6.1.2	-	-
100	100	Solution de Energy (Private) Limited (Chief Executive Officer - Mr. Muhammad Saad Thaniana)	6.1.3	1	1
				<u>525,001</u>	<u>525,001</u>

- 6.1.1** This represents the Company's investment in 100% ordinary shares of CS Capital (Private) Limited. The Company acquired CS Capital (Private) Limited on 26 September 2011.
- 6.1.2** This represents investment in subsidiary of Rs. 90 only. The subsidiary company has not commenced operation and accordingly no financial statements have been prepared.
- 6.1.3** This represents the Company's investment in 100% ordinary shares of Solution de Energy (Private) Limited that was acquired through amalgamation on 30 June 2019.

6.2 Associated companies - at cost

Unaudited 31 March 2021 (Number of shares)	Audited 30 June 2020	Note	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
Quoted				
60,663,775	60,663,775	6.2.1	595,293	595,293
27,409,075	27,409,075	6.2.2	691,108	691,108
			1,286,401	1,286,401

- 6.2.1** The Company holds 16.69% (30 June 2020: 16.69%) shareholding in Altern Energy Limited and has representation on its Board of Directors. The Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.
- 6.2.2** The Company holds 21.93% (30 June 2020: 21.93%) shareholding in Shakarganj Limited and there is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.
- 6.2.3** The fair value of investments in associated companies as at 31 March 2021 is Rs. 2,570.42 million (30 June 2020: Rs. 2,827.846 million).

6.3 Other long term investments

	Note	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
Fair value through other comprehensive income (FVOCI)	6.3.1	13,802	9,419
Fair value through profit or loss (FVTPL)	6.3.2 & 6.3.3	482,956	482,956
		496,758	492,375

- 6.3.1** This represents investment in the Crescent Textile Mills Limited which are not held for trading and the Company has irrevocably designated at initial application of IFRS 9 to recognise in this category. This is strategic investment and management considers this classification to be more relevant. The accumulated fair value reserve related to this investment will never be reclassified to profit or loss.

6.3.2 This includes investments in Crescent Industrial Chemicals Limited and Crescent Bahuman Limited amounting to Rs. 10.470 million and Rs. 24.037 million (30 June 2020: Rs. 10.470 million and Rs. 24.037 million), respectively, which had been fully charged to profit or loss in earlier periods.

6.3.3 This also includes investment in Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited amounting to Rs. 346.844 million and Rs. 136.112 million, respectively.

7. LONG TERM DEPOSITS

These include security deposit amounting to Rs. 209.570 million (30 June 2020: Rs. 199.694 million) under Ijarah financing arrangement.

8. STOCK-IN-TRADE

	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
Raw materials		
Hot rolled steel coils (HR Coils)	299,363	1,470,714
Coating materials	51,043	39,315
Steel scrap	507,541	56,030
Others	86,044	117,476
Bagasse	10,848	-
Raw cotton	244,237	118,521
Stock-in-transit	256,377	58,535
	1,455,453	1,860,591
Provision for obsolescence and slow-moving raw materials	(2,039)	(2,039)
	1,453,414	1,858,552
 Work-in-process	 12,058	 46,508
Finished goods - net	292,962	214,215
Scrap / cotton waste	7,128	11,466
	312,148	272,189
	1,765,562	2,130,741

8.1 Stock in trade as at 31 March 2021 includes certain items valued at net realisable value (NRV). Charge for the period in respect of stock written down to NRV was amounting to Rs. Nil (30 June 2020: Reversal of Rs. 6.906 million) has been recognised in cost of sales.

9.	TRADE DEBTS	Note	Unaudited	Audited
			31 March 2021	30 June 2020
			----- (Rupees in '000) -----	
	Secured			
	Considered good		-	158,208
	Unsecured			
	Considered good	9.1	128,236	67,591
	Considered doubtful		23,140	30,706
			151,376	98,297
	Impairment loss on trade debts		(23,140)	(30,706)
			<u>128,236</u>	<u>225,799</u>
9.1	This includes balances due from following related parties:			
	Shakarganj Limited		11,326	-
	Crescent Textile Mills Limited		114	-
	Shakarganj Food Products Limited		758	-
			<u>12,198</u>	<u>-</u>
10.	LOANS AND ADVANCES			
10.1	These include loan due from:			
	Solution de Energy (Private) Limited	10.1.1	<u>94,208</u>	<u>91,208</u>
10.1.1	The Company has provided short term interest free loan to the wholly owned subsidiary Company in order to meet its requirements for the purposes of feasibility, legal approvals and other related activities in respect of its project of 100 MW Solar Power Plant in Solar Power Park being established by the Government of Punjab in the Cholistan desert. The loan is repayable on demand.			
11.	INVESTMENTS		Unaudited	Audited
		Note	31 March 2021	30 June 2020
			----- (Rupees in '000) -----	
	At fair value through profit or loss (FVTPL)	11.1	<u>215,062</u>	<u>124,611</u>
11.1	These comprise investments in ordinary shares of listed companies and units of mutual funds. These also include investments in Jubilee Spinning and Weaving Mills Limited and Innovative Investment Bank Limited, which had been fully provided for as the break-up value of their shares was Rs. Nil per share (30 June 2020: Rs. Nil per share).			
11.2	Investments having an aggregate market value of Rs. 1,556.554 million (30 June 2020: Rs. 1,501.078 million) have been pledged with financial institutions as security against financing facilities (refer note 15.4) out of which amount of Rs. 1,420.519 million (30 June 2020: Rs. 1,396.073 million) relates to long term investments.			

12. OTHER RECEIVABLES

		Unaudited 31 March 2021	Audited 30 June 2020
	Note	----- (Rupees in '000) -----	
Dividend receivable		2,246	886
Provision there against		(886)	(886)
		<u>1,360</u>	<u>-</u>
Receivable against sale of investments		571	-
Receivable against rent from investment property		-	305
Claim receivable		-	989
Due from related parties	12.1	15,795	13,469
Sales tax refundable		193,119	154,859
Margin on letter of guarantee		15,359	15,359
Receivable from staff retirement benefits funds		24,995	24,995
Others		1,930	9,536
		<u>253,129</u>	<u>219,512</u>

12.1 Due from related parties

Shakarganj Limited	1,102	1,102
CS Capital (Private) Limited	2,355	580
Crescent Socks (Private) Limited	400	-
Premier Insurance Company Limited	146	-
Solution de Energy (Private) Limited	11,792	11,787
	<u>15,795</u>	<u>13,469</u>

		Unaudited 31 March 2021	Audited 30 June 2020
	Note		
		----- (Rupees in '000) -----	
13. LONG TERM LOANS			
Secured - Under non-shariah arrangement			
Allied Bank Limited	13.1	181,332	195,240
Habib Metropolitan Bank Limited	13.2	124,652	44,440
JS Bank Limited	13.3	12,827	-
		318,811	239,680
Less: Current portion shown under current liabilities		161,558	49,345
		157,253	190,335

- 13.1** During the year ended 30 June 2017, the Company entered into a loan arrangement with Allied Bank Limited of an amount of Rs. 100 million, out of which Rs. 74.176 million have been disbursed till date. The term of the loan is 5 years from the date of disbursement with a grace period of one year, repayable in 16 equal quarterly installments starting after fifteen months from date of disbursement. During the period, the Company has made repayment of Rs. 13.908 million (30 June 2020: Rs. 18.544 million). Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum.

During year ended 30 June 2018, the Company entered into new loan arrangement with Allied Bank Limited of an amount of Rs. 300 million, out of which Rs. 217.050 million have been disbursed till date. The term of the loan is 4 years from the date of disbursement with a grace period of one year; however, due to COVID-19 the bank has allowed one year more grace period, repayable in 12 equal quarterly installments starting after twelve months from date of disbursement. Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum.

The mark-up on such arrangements ranged from 8.19% to 10.04% (30 June 2020: 12.69% to 14.99%) per annum. These facilities are secured against first joint pari passu hypothecation / equitable mortgage on plant, machinery and property of the Company.

- 13.2** During the year ended 30 June 2020, the Company entered into new loan arrangement with Habib Metropolitan Bank Limited under the State Bank of Pakistan's (SBP) "Refinance Scheme for Payment of Wages & Salaries to the Workers and Employees of Business Concern". The Company has obtained the said loan at subsidized rate in two tranches in May 2020 and June 2020. The term of the loan is 2.5 years from the date of disbursement with a grace period of 6 months, repayable in 8 equal quarterly installments starting from March 2021. Mark-up is payable at the concessional rate of 2.5% per annum.

During the period, the Company further entered into new loan arrangement with Habib Metropolitan Bank Limited under the SBP's "Refinance Scheme for Payment of Wages & Salaries to the Workers and Employees of Business Concern". The Company has obtained the said loan at subsidized rate in four tranches; one tranche in July 2020, two tranches in September 2020 and one tranche in October 2020. The term of the loan is 2.5 years from the date of disbursement with a grace period of 6 months, repayable in 8 equal quarterly installments starting from March 2021. Mark-up is payable at the concessional rate of 2.5% per annum.

The effective interest on such arrangements ranged from 8.68% to 10.16% per annum.

- 13.3** During the period ended, the Company entered into new loan arrangement with JS Bank Limited under the SBP Financing Scheme for Renewable Energy of an amount of Rs. 100 million, out of which Rs. 12.827 million have been disbursed till date. The said arrangement is under approval with the State Bank of Pakistan (SBP). The term of the loan is 10 years from the date of disbursement with a grace period of three months, repayable in monthly installments starting after ninety days from the date of disbursement. Mark-up is payable at the rate of 1 month KIBOR plus 1% per annum till approval of refinance from SBP. Mark-up will be payable at the concessional rate of 6% per annum after SBP's approval.

14. TRADE AND OTHER PAYABLES

		Unaudited	Audited
		31 March 2021	30 June 2020
	Note	----- (Rupees in '000) -----	
Trade creditors		136,085	237,342
Bills payable		234,667	42,647
Commission payable		3,786	1,925
Customer's security deposits		-	-
Accrued liabilities		318,330	394,528
Advances from customers		42,698	95,674
Provisions		249,548	237,414
Due to related parties	14.1	4,008	4,016
Payable to provident fund		1,938	2,067
Payable to staff retirement benefit funds		3,072	2,257
Retention money		10,471	10,471
Sales tax payable		64,829	12,297
Withholding tax payable		12,490	1,504
Workers' Profit Participation Fund		20,288	2,061
Workers' Welfare Fund		10,869	4,114
Others		41,153	20,183
		<u>1,154,232</u>	<u>1,068,500</u>

14.1 Due to related parties

Premier Insurance Company Limited	-	232
The Citizens Foundation	4,008	-
Shakarganj Limited	-	3,784
	<u>4,008</u>	<u>4,016</u>

	Note	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
15. SHORT TERM BORROWINGS			
Secured from banking companies			
Running finances under mark-up arrangements	15.1	575,206	582,317
Short term loans	15.2	1,180,107	2,093,043
		<u>1,755,313</u>	<u>2,675,360</u>
15.1	Short term running finance / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 1,100 million (30 June 2020: Rs. 1,100.8 million) out of which Rs. 300 million (30 June 2020: Rs. 300 million), Rs. 150 million (30 June 2020: Rs. 150 million) and Rs. 300 million (30 June 2020: Rs. 450 million) are interchangeable with letters of credit, letters of guarantee facility and short term loans, respectively. During the period, the mark-up on such arrangements ranged from 8.19% to 10.54% (30 June 2020: 10.33% to 15.85%) per annum.		
15.2	These include an amount of Rs. 586.535 million (30 June 2020: Rs. 697.11 million) outstanding against Islamic mode of financing. Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 4,350 million (30 June 2020: Rs. 4,600 million) out of which Rs. 3,650 million (30 June 2020: Rs. 3,400 million), Rs. 305 million (30 June 2020: Rs. 255 million) and Rs. 350 million (30 June 2020: Rs. 350 million) are interchangeable with letters of credit, letters of guarantee and short term running finance, respectively. During the period, the mark-up on such arrangements ranged from 8.19% to 10.54% (30 June 2020: 9.79% to 16.18%) per annum.		
15.3	The facilities for opening letters of credit amounted to Rs. 4,750 million (30 June 2020: Rs. 4,600 million) out of which Rs. 300 million (30 June 2020: Rs. 300 million), Rs. 3,650 million (30 June 2020: Rs. 3,650 million) and Rs. 305 million (30 June 2020: Rs. 255 million) are interchangeable with short term running finance, short term loans and letters of guarantee respectively as mentioned in notes 15.1 and 15.2 above. The facility for letters of guarantee as at 31 March 2021 amounted to Rs. 1,815 million (30 June 2020: Rs. 1,794.1 million). Amounts unutilized for letters of credit and guarantees as at 31 March 2021 were Rs. 4,252.42 million and Rs. 230.992 million (30 June 2020: Rs. 4,458.24 million and Rs. 69.923 million), respectively.		
15.4	The above facilities are expiring on various dates and are secured by way of mortgage of land and building, hypothecation of plant and machinery, stock-in-trade, trade debts and other current assets, pledge of shares and cotton / cotton yarn; and lien over import / export document (refer note 11.2). Further, above facilities (refer notes 15.1, 15.2 and 15.3) are also secured against mortgage of land and building, hypothecation of plant and machinery and pledge of shares owned by the Subsidiary Company i.e. CS Capital (Private) Limited.		

16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There is no significant change in the status of the matters as set out in note 12.3,15, 28.2 and 29.1 to the Company's annual unconsolidated financial statements for the year ended 30 June 2020.

16.2 Commitments

- 16.2.1** During the year ended 30 June 2020, Bank Islami Pakistan Limited (BIPL) deferred the principal payments of rentals for one year as per the directives issued by State Bank of Pakistan vide its circular no. 12 dated 26 March 2020. As at 31 March 2021, amount of lease rentals outstanding under the Ijarah financing arrangement is Rs. 110.652 million (30 June 2020: Rs. 121.692 million), which is payable in average quarterly installments of Rs. 22.877 million (30 June 2020: Rs. 22.898 million).
- 16.2.2** Aggregate amount of guarantees issued by banks on behalf of the Company against various contracts aggregated to Rs. 1,630 million (30 June 2020: Rs. 1,624 million). These include guarantees issued by Islamic banks amounting to Rs. 214.58 million (30 June 2020: Rs. 259 million).
- 16.2.3** Commitments in respect of capital expenditure contracted for as at 31 March 2021 amounted to Rs. 8.455 million (30 June 2020: Rs. 8.455 million).
- 16.2.4** Commitments under letters of credit (L/C) as at 31 March 2021 amounted to Rs. 497.58 million (30 June 2020: Rs. 228.486 million).

17. SALES

	Note	Unaudited Quarter ended		Unaudited Nine months ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		----- (Rupees in '000) -----			
Local sales					
Bare pipes	17.1	396,271	98,964	2,934,155	345,976
Steel Billets		860,018	509,052	1,368,446	786,972
Pipe coating		-	2,231	5,753	86,605
Pre coated pipes		-	46,161	32,972	57,971
Cotton yarn / raw cotton		568,797	426,988	1,625,626	1,360,107
Electricity sales		133,357	88,974	187,762	136,025
Steam sales		224,740	76,453	348,468	113,508
Others		30,405	7,774	83,392	44,907
Scrap / waste		14,943	48,519	111,452	92,919
		<u>2,228,531</u>	<u>1,305,116</u>	<u>6,698,026</u>	<u>3,024,990</u>

17.1 This is presented net of liquidated damages amounting to Rs. 6.429 million.

17.2 Revenue is disaggregated by major products and also by geographical market. Additionally, revenue by major customers is disclosed in note 24.4 to these condensed interim unconsolidated financial statements.

18. INCOME FROM INVESTMENTS - NET

	Note	Unaudited Quarter ended		Unaudited Nine months ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		----- (Rupees in '000) -----			
Dividend income	18.1	2,987	161,448	12,296	353,114
Gain / (loss) on sale of FVTPL investments - net	18.2	3,618	264	6,140	(4,309)
Unrealized gain / (loss) on FVTPL investments - net	18.3	4,094	(47,626)	36,762	(12,995)
Rent from investment properties	18.5	1,240	641	4,666	1,922
		<u>11,939</u>	<u>114,727</u>	<u>59,864</u>	<u>337,732</u>

18.1 This includes Rs. 5.131 million earned on investments in Shariah Compliant Investee Companies.

18.2 This includes Rs. 4.183 million gain on sale of Shariah Compliant Investee Companies.

18.3 This includes gain of Rs. 33.357 million on investments in Shariah Compliant Investee Companies.

18.4 Income from investment was categorised as Shariah / Non-Shariah Compliant Investee Companies on the basis of All Shares Islamic Index as circulated by the Pakistan Stock Exchange.

18.5 Direct operating expenses incurred against rental income from investment properties amounted to Rs. 5.55 million (31 March 2020: Rs. 0.277 million). Further, Rs. Nil (31 March 2020: Rs. 1.29 million) was incurred against non rented out area.

19. OTHER OPERATING EXPENSES

	Unaudited Quarter ended		Unaudited Nine months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	----- (Rupees in '000) -----			
Provision for:				
- Workers' Profit Participation Fund	2,099	94	18,226	107
- Workers' Welfare Fund	876	-	6,755	-
- Slow moving stores, spares and loose tools	-	-	4,905	-
	<u>2,975</u>	<u>94</u>	<u>29,886</u>	<u>107</u>

20. FINANCE COSTS

	Unaudited Quarter ended		Unaudited Nine months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	----- (Rupees in '000) -----			
Profit on short term loans - Shariah arrangement	11,960	12,534	29,950	42,519
Interest on - Non - Shariah arrangement				
- finance lease obligations	1,785	4,142	5,851	12,996
- long term loans	7,322	7,666	20,497	26,125
- running finances / short term loans	26,084	60,263	99,237	140,270
Bank charges	1,330	2,643	4,053	6,829
	<u>48,481</u>	<u>87,248</u>	<u>159,588</u>	<u>228,739</u>

21. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE

	Unaudited Quarter ended		Unaudited Nine months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	----- (Rupees in '000) -----			
Profit / (loss) for the period	<u>49,879</u>	<u>20,643</u>	<u>362,457</u>	<u>(5,304)</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>77,632,491</u>	<u>77,632,491</u>	<u>77,632,491</u>	<u>77,632,491</u>
	----- (Rupees) -----			
Earnings / (loss) per share - Basic and diluted	<u>0.64</u>	<u>0.27</u>	<u>4.67</u>	<u>(0.07)</u>

22. CASH GENERATED FROM / (USED IN) OPERATIONS

	Note	Unaudited Nine months ended	
		31 March 2021	31 March 2020
		----- (Rupees in '000) -----	
Profit / (loss) before taxation		482,309	(112,267)
Adjustments for non cash charges and other items			
Depreciation on operating fixed assets, right-of-use assets and investment properties		164,229	169,836
Amortisation of intangible assets		424	142
Charge for the period on staff retirement benefit funds		17,582	17,246
Dividend income		(12,296)	(353,114)
Unrealized (gain) / loss on FVTPL investments - net		(36,762)	12,995
(Gain) / loss on sale of FVTPL investments - net		(6,140)	4,309
Provision for stores, spares and loose tools - net		4,905	-
Provision for Workers' Welfare Fund		6,755	-
Provision for Workers' Profit Participation Fund		18,226	107
Provision for liquidated damages		6,429	-
Return on deposits		(459)	(791)
Gain on disposal of operating fixed assets and investment property		(134,119)	(1,060)
Deferred income		(6,698)	(5,443)
Unwinding of discount on long term deposit		(16,797)	(16,464)
Liabilities written back		-	(804)
Finance costs		159,589	228,739
Working capital changes	22.1	316,266	(341,271)
		<u>963,443</u>	<u>(397,840)</u>

22.1 Working capital changes

Decrease / (increase) in current assets			
Stores, spares and loose tools		11,296	37,546
Stock-in-trade		365,179	(588,994)
Trade debts		97,563	(150,327)
Loans and advances		(164,574)	(83,676)
Trade deposits and short term prepayments		(9,528)	(6,211)
Other receivables		(32,286)	(128,822)
		<u>267,650</u>	<u>(920,484)</u>
Increase in current liabilities			
Trade and other payables		48,616	579,213
		<u>316,266</u>	<u>(341,271)</u>

23. CASH AND CASH EQUIVALENTS

Running finances under mark-up arrangements	(575,206)	(629,609)
Cash and bank balances	60,281	9,470
	<u>(514,925)</u>	<u>(620,139)</u>

24. SEGMENT REPORTING

24.1 Reportable segments

The Company's reportable segments are as follows:

- Steel segment - It comprises of manufacturing and coating of steel pipes.
- Cotton segment - It comprises of manufacturing of yarn.
- Investment and Infrastructure Development (IID) segment - To effectively manage the investment portfolio in shares and other securities (strategic as well as short term) and investment properties (held for rentals as well as long term appreciation).
- Hadeed segment - It comprises of manufacturing billets.
- Energy segment - It comprises of generating and supplying electricity / power.

Information regarding the Company's reportable segments is presented below:

24.2 Segment revenues and results

Following is an analysis of the Company's revenue and results by reportable segments:

For the nine months ended 31 March 2021

	Unaudited					
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments eliminations / adjustments
	(Rupees in '000)					
Sales - net	2,657,842	1,406,620	552,966	1,206,884	-	(100,619)
Cost of sales	2,202,313	1,244,800	528,643	1,222,278	-	(100,619)
Gross profit / (loss)	455,529	161,820	24,323	(15,394)	-	-
Income from investments - net	-	-	-	-	59,864	-
	455,529	161,820	24,323	(15,394)	59,864	-
Distribution and selling expenses	7,939	2,370	-	618	-	-
Administrative expenses	125,969	25,912	3,670	13,300	16,463	-
Other expenses	22,729	7,157	-	-	-	-
	156,637	35,439	3,670	13,918	16,463	-
	298,892	126,381	20,653	(29,312)	43,401	-
Other income	29,116	13,745	-	10,821	128,201	-
Operating profit / (loss) before finance costs	328,008	140,126	20,653	(18,491)	171,602	-
Finance costs	134,410	8,070	-	17,109	-	-
Profit / (loss) before taxation	193,598	132,056	20,653	(35,600)	171,602	-
Taxation						119,852
Profit for the period						362,457

For the nine months ended 31 March 2020

	Unaudited					
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments eliminations / adjustments
	(Rupees in '000)					
Sales - net	489,341	1,169,015	279,513	713,027	-	(66,237)
Cost of sales	606,798	1,122,479	283,517	701,996	-	(66,237)
Gross (loss) / profit	(117,457)	46,536	(4,004)	11,031	-	-
Income from investments - net	-	-	-	-	337,732	-
	(117,457)	46,536	(4,004)	11,031	337,732	-
Distribution and selling expenses	8,997	2,437	-	484	-	-
Administrative expenses	127,111	27,213	4,989	7,570	13,522	-
Other expenses	(191)	298	-	-	-	-
	135,917	29,948	4,989	8,054	13,522	-
	(253,374)	16,588	(8,993)	2,977	324,210	-
Other income	26,854	4,996	-	3,214	-	-
Operating (loss) / profit before finance costs	(226,520)	21,584	(8,993)	6,191	324,210	-
Finance costs	177,267	15,915	-	26,247	9,310	-
(Loss) / profit before taxation	(403,787)	5,669	(8,993)	(20,056)	314,900	-
Taxation						(106,963)
Loss for the period						(5,304)

24.2.1 Revenue reported above represents revenue generated from external customers and inter-segment sales of electricity by Energy Segment to Hadeed (Billet) Segment of Rs. 94.65 million (31 March 2020: Rs. 66.237 million) and Rs. 5.969 million (31 March 2020: Rs. Nil) of scrap sales by Steel Segment to Hadeed (Billet) Segment.

24.2.2 The accounting policies of the reportable segments are the same as the Company's accounting policies as described in the annual unconsolidated financial statements of the Company for the preceding year ended 30 June 2020. The Steel segment allocates certain percentage of the common expenditure to the Cotton, Energy, Hadeed (Billet) and IID segments. In addition, finance costs between Steel and Cotton segments are allocated at average mark-up rate on the basis of funds utilized. This is the measure reported to management for the purposes of resource allocation and assessment of segment performance.

24.3 Revenue from major products and services

The analysis of the Company's revenue from external customers for major products and services is given in note 17 to these condensed interim unconsolidated financial statements.

24.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 2,591.828 million (31 March 2020: Rs. 393.097 million) of total Steel segment revenue of Rs. 2,657.842 million (31 March 2020: Rs. 489.341 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. 490.056 million (31 March 2020: Rs. 183.222 million) of total Cotton segment revenue of Rs. 1,406.620 million (31 March 2020: Rs. 1,169.015 million). Revenue from major customers of Energy segment represents an aggregate amount of Rs. 458.316 million (31 March 2020: Rs. 116.261 million) of total Energy segment revenue of Rs. 552.966 million (31 March 2020: Rs. 279.513 million). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. 1,190.646 million (31 March 2020: Rs. 520.443 million) of total Hadeed (Billet) segment revenue of Rs. 1,206.884 million (31 March 2020: Rs. 713.027 million).

24.5 Geographical information

24.5.1 All revenues from external customers and inter-segment sales were generated in Pakistan.

24.5.2 All non-current assets of the Company as at 31 March 2021 and 30 June 2020 were located and operating in Pakistan.

24.6 Segment assets and liabilities

Reportable segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
	(Rupees in '000)					
As at 31 March 2021 - (Unaudited)						
Segment assets for reportable segments	1,633,011	592,164	681,153	1,668,688	2,605,199	7,180,215
Unallocated corporate assets						2,033,198
Total assets as per unconsolidated statement of financial position						<u>9,213,413</u>
Segment liabilities for reportable segments	660,843	194,931	57,847	212,917	1,889	1,128,427
Unallocated corporate liabilities and deferred income						2,269,857
Total liabilities as per unconsolidated statement of financial position						<u>3,398,284</u>
As at 30 June 2020 - (Audited)						
Segment assets for reportable segments	2,934,338	506,150	660,381	846,220	2,470,678	7,417,767
Unallocated corporate assets						2,242,986
Total assets as per unconsolidated statement of financial position						<u>9,660,753</u>
Segment liabilities for reportable segments	756,226	269,746	72,385	57,488	1,445	1,157,290
Unallocated corporate liabilities and deferred income						3,055,175
Total liabilities as per unconsolidated statement of financial position						<u>4,212,465</u>

24.6.1 For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than those directly relating to corporate and taxation assets; and
- all liabilities are allocated to reportable segments other than those directly relating to corporate and taxation.

Cash and bank balances, borrowings and related mark-up receivable therefrom and payable thereon are not allocated to reporting segments as these are managed by the Company's central treasury function.

24.7 Other segment information

	Unaudited				
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment
	(Rupees in '000)				
For the nine months ended 31 March 2021					
Capital expenditure	41,144	975	-	-	42,119
Depreciation and amortisation	55,049	21,970	45,548	40,474	164,653
Non-cash items other than depreciation and amortisation - net	153,886	4,269	238	17,530	215
For the nine months ended 31 March 2020					
Capital expenditure	8,384	-	-	-	8,384
Depreciation and amortisation	58,500	23,356	45,557	40,499	169,978
Non-cash items other than depreciation and amortisation - net	167,420	16,879	292	26,648	(114,280)

25. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiaries and associated companies, directors of the Company, companies in which directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. All transactions with related parties are under agreed terms / contractual arrangements.

Transactions with related parties other than those disclosed elsewhere are as follows:

Name of entity	Nature of relationship	Nature of transaction	Unaudited	
			Nine months ended	
			31 March 2021	31 March 2020
			(Rupees in '000)	
CS Capital (Private) Limited	Subsidiary company	Reimbursable expenses	1,040	1,000
Solution de Energy (Private) Limited	Subsidiary company	Loan given	3,000	-
		Reimbursable expenses	4	118
Altern Energy Limited	Associated company	Dividend received	-	342,750
Shakarganj Limited	Associated company	Sales of finished goods	18,227	1,109
		Sales of electricity and steam	458,316	213,276
		Services received	4,970	1,454
		Reimbursable expenses	1,863	1,106
		Purchase of raw material	546,889	219,520
		Payment received against services provided	6,509	30,000
		Advance given for raw material	46,000	30,600
		Payment made against services received	18,528	30,000
		Expenses incurred on behalf of Company	-	9,375
Shakarganj Food Products Limited	Related party	Services given	4,864	-
		Payments received from services given	11,170	-
Crescent Socks (Private) Limited	Related party	Services given	800	-
The Crescent Textile Mills Limited	Associated company	Dividend received	-	271
		Payment received	1,258	-
		Services received	1,372	-
		Sales of finished goods	-	41,198

Continued ... Note 25: TRANSACTIONS WITH RELATED PARTIES

Name of entity	Nature of relationship	Nature of transaction	Nine months ended	
			31 March 2021	31 March 2020
			----- (Rupees in '000) -----	
The Citizens' Foundation*	Related party	Donation given	<u>4,220</u>	<u>184</u>
Premier Insurance Limited*	Related party	Insurance premium	<u>7,200</u>	<u>5,530</u>
		Insurance premium paid	<u>7,095</u>	<u>-</u>
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>3,813</u>	<u>3,286</u>
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	<u>4,945</u>	<u>4,805</u>
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	<u>13,293</u>	<u>12,440</u>
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>6,691</u>	<u>12,950</u>
Crescent Hadeed (Private) Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>459</u>	<u>-</u>
CSAP - Staff Benevolent Fund	Staff Welfare Fund	Contribution made	<u>2,034</u>	<u>-</u>
Key management personnel	Related parties	Remuneration and benefits	<u>88,732</u>	<u>72,295</u>
Directors	Related parties	Meeting fee	<u>3,090</u>	<u>2,470</u>

* These entities are / have been related parties of the Company by virtue of common directorship only.

- 25.1** Sale of finished goods and raw materials, rendering of services and insurance premium are based on commercial terms and at market prices which are approved by the Board of Directors.
- 25.2** Contributions to the employee retirement benefit funds are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.
- 25.3** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors of the Company. There were no transactions with the key management personnel during the period other than under their terms of employment / entitlements.

26. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in annual unconsolidated financial statements of the Company for the year ended 30 June 2020.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 March 2021 (Un-audited)								
Carrying amount					Fair value			
Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
- listed equity securities	215,062	13,802	-	228,864	228,864	-	-	228,864
- unlisted equity securities	482,956	-	-	482,956	-	-	482,956	482,956
	698,018	13,802	-	711,820	228,864	-	482,956	711,820
Financial assets not measured at fair value								
Deposits		304,571	-	304,571	-	-	-	-
Trade debts	-	128,236	-	128,236	-	-	-	-
Loan to subsidiary	-	94,208	-	94,208	-	-	-	-
Other receivables	-	35,015	-	35,015	-	-	-	-
Bank balances	-	59,020	-	59,020	-	-	-	-
	-	621,050	-	621,050	-	-	-	-
Financial liabilities not measured at fair value								
Long term loans	-	-	318,811	318,811	-	-	-	-
Lease liabilities	-	-	77,338	77,338	-	-	-	-
Trade and other payables	-	-	753,510	753,510	-	-	-	-
Mark-up accrued	-	-	28,304	28,304	-	-	-	-
Short term borrowings	-	-	1,755,313	1,755,313	-	-	-	-
Unclaimed dividend	-	-	25,763	25,763	-	-	-	-
	-	-	2,959,039	2,959,039	-	-	-	-
30 June 2020 (Audited)								
Carrying amount					Fair value			
Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
- listed equity securities	124,611	9,419	-	134,030	134,030	-	-	134,030
- unlisted equity securities	482,956	-	-	482,956	-	-	482,956	482,956
	607,567	9,419	-	616,986	134,030	-	482,956	616,986
Financial assets not measured at fair value								
Deposits	-	278,446	-	278,446	-	-	-	-
Trade debts	-	225,799	-	225,799	-	-	-	-
Loan to subsidiary	-	91,208	-	91,208	-	-	-	-
Other receivables	-	39,658	-	39,658	-	-	-	-
Bank balances	-	22,560	-	22,560	-	-	-	-
	-	657,671	-	657,671	-	-	-	-
Financial liabilities not measured at fair value								
Long term loans	-	-	239,680	239,680	-	-	-	-
Lease liabilities	-	-	111,287	111,287	-	-	-	-
Trade and other payables	-	-	715,436	715,436	-	-	-	-
Mark-up accrued	-	-	54,214	54,214	-	-	-	-
Short term borrowings	-	-	2,675,360	2,675,360	-	-	-	-
Unclaimed dividend	-	-	26,443	26,443	-	-	-	-
	-	-	3,822,420	3,822,420	-	-	-	-

The Company has not disclosed the fair values for all other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

Investments in subsidiaries and associates are stated at cost. The fair value of listed securities were taken from rates quoted on the Pakistan Stock Exchange and classified under level 1 in fair value hierarchy.

Investment property fair value have been determined by professional valuers (level 3 measurement) based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Company. The valuation experts used a market based approach to arrive at the fair value of the Company's investment properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statements. Investment properties are carried at cost in accordance with the Company's accounting policy.

26.1 Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring level 3 fair values as at 31 March 2021 for unquoted equity investments were same as at 30 June 2020. There was no change in significant unobservable inputs from 30 June 2020; therefore, carried at the same values.

27. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue in the Board of Directors meeting held on 29 April 2021.



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Financial Position
As at 31 March 2021

	Note	Unaudited 31 March 2021	Audited 30 June 2020
----- (Rupees in '000) -----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,946,175	2,106,683
Right-of-use-assets		144,723	168,601
Intangible assets		152,170	145,728
Investment properties		87,478	51,061
Investment in equity accounted investees	6	3,359,595	3,087,141
Other long term investments	7	793,278	731,439
Long term deposits	8	235,845	224,748
Deferred taxation		207,249	291,489
		6,926,513	6,806,890
Current assets			
Stores, spares and loose tools		153,031	169,232
Stock-in-trade	9	1,765,562	2,130,741
Trade debts	10	128,236	225,799
Advances	11	215,592	54,017
Trade deposits and short term prepayments		81,399	66,102
Investments	12	499,960	339,692
Other receivables	13	241,430	207,404
Taxation - net		1,127,630	1,272,340
Cash and bank balances		60,593	23,748
		4,273,433	4,489,075
Total assets		11,199,946	11,295,965
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
100,000,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital		776,325	776,325
Capital reserves		1,050,164	1,091,622
Revenue reserves		5,901,461	5,140,316
		7,727,950	7,008,263
Non-current liabilities			
Long term loans	14	157,253	190,335
Lease liabilities		50,685	64,820
Deferred income		5,394	7,053
Deferred liability - staff retirement benefits		23,713	23,713
		237,045	285,921
Current liabilities			
Trade and other payables	15	1,200,808	1,115,336
Unclaimed dividend		25,763	26,443
Mark-up accrued		29,012	55,112
Short term borrowings	16	1,781,741	2,702,863
Current portion of long term loans	14	161,558	49,345
Current portion of lease liabilities		26,653	46,467
Current portion of deferred income		9,416	6,215
		3,234,951	4,001,781
		3,471,996	4,287,702
Contingencies and commitments	17		
Total equity and liabilities		11,199,946	11,295,965

The annexed notes from 1 to 28 form an integral part of these condensed interim consolidated financial statements.



Chief Executive



Director




Chief Financial Officer

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For the quarter and nine months ended 31 March 2021

		Quarter ended		Nine months ended	
	Note	31 March 2021	31 March 2020	31 March 2021	31 March 2020
----- (Rupees in '000) -----					
Sales	18	2,228,531	1,305,116	6,698,026	3,024,990
Less: Sales tax		323,975	189,741	974,333	440,331
		1,904,556	1,115,375	5,723,693	2,584,659
Cost of sales		1,769,598	1,103,637	5,097,415	2,648,553
Gross profit / (loss)		134,958	11,738	626,278	(63,894)
Income / (loss) from investments - net	19	21,018	(331,204)	137,507	(47,836)
		155,976	(319,466)	763,785	(111,730)
Distribution and selling expenses		5,208	4,428	10,927	11,918
Administrative expenses		59,748	64,560	189,508	183,999
Other operating expenses	20	2,975	94	29,886	107
		67,931	69,082	230,321	196,024
		88,045	(388,548)	533,464	(307,754)
Other income		16,643	10,617	181,883	35,064
Operating profit / (loss) before finance costs		104,688	(377,931)	715,347	(272,690)
Finance costs	21	49,190	88,607	161,588	234,010
Share of (loss) / profit in equity accounted investees - net of taxation		(78,836)	217,779	313,912	265,227
(Loss) / profit before taxation		(23,338)	(248,759)	867,671	(241,473)
Taxation					
- current for the period		(31,568)	(30,786)	(91,606)	(71,258)
- current for prior year		8,423	-	6,745	-
- deferred		25,249	82,790	(79,195)	343,659
		2,104	52,004	(164,056)	272,401
(Loss) / profit for the period		(21,234)	(196,755)	703,615	30,928
Other comprehensive income for the period					
Items that will not be reclassified subsequently to profit or loss					
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI)		(28,309)	(36,121)	57,530	(19,784)
Items that will be reclassified subsequently to profit or loss					
Proportionate share of other comprehensive (loss) / income of equity accounted investees		537	607	(41,458)	8,609
		(27,772)	(35,514)	16,072	(11,175)
Total comprehensive (loss) / income for the period		(49,006)	(232,269)	719,687	19,753
----- (Rupees) -----					
(Loss) / earnings per share - Basic and diluted	22	(0.27)	(2.53)	9.06	0.40

The annexed notes from 1 to 28 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Cash Flows (Unaudited)
For the nine months ended 31 March 2021

	Note	Nine months ended	
		31 March 2021	31 March 2020
----- (Rupees in '000) -----			
Cash flows from operating activities			
Cash generated from / (used in) operations	23	967,196	(398,615)
Taxes refund received / (paid)		59,850	(86,081)
Finance costs paid		(173,455)	(200,780)
Contribution to gratuity and pension funds		(17,582)	(17,246)
Contribution to Workers' Profit Participation Fund		-	(3,523)
Long term deposits - net		-	4,561
Net cash generated from / (used in) operating activities		836,009	(701,684)
Cash flows from investing activities			
Capital expenditure		(37,636)	(8,384)
Acquisition of intangible assets		(6,866)	(955)
Proceeds from disposal of operating fixed assets		153,440	5,274
Investments - net		(56,081)	48,294
Dividend income received		23,477	383,247
Interest income received		488	791
Net cash generated from investing activities		76,822	428,267
Cash flows from financing activities			
Proceeds from / (repayments of) long term loans - net		79,125	(87,670)
Payments against finance lease obligations		(33,309)	(46,976)
(Repayments of) / proceeds from short term loans obtained - net		(912,936)	639,140
Dividends paid		(680)	(82)
Net cash (used in) / generated from financing activities		(867,800)	504,412
Net increase in cash and cash equivalents		45,031	230,995
Cash and cash equivalents at beginning of the period		(586,072)	(877,721)
Cash and cash equivalents at end of the period	24	(541,041)	(646,726)

The annexed notes from 1 to 28 form an integral part of these condensed interim consolidated financial statements.



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)
For the nine months ended 31 March 2021

	Issued, subscribed and paid-up capital	Capital reserves		Total capital reserves	Revenue reserves			Total revenue reserves	Total
		Share premium	Others *		Fair value reserve	General reserve	Unappropriated profit		
	(Rupees in '000)								
Balance as at 1 July 2019	776,325	1,020,908	62,542	1,083,450	36,670	3,642,000	1,417,637	5,096,307	6,956,082
Total comprehensive income for the period									
Profit after taxation for the period	-	-	-	-	-	-	30,928	30,928	30,928
Other comprehensive income									
Other comprehensive income / (loss) for the period	-	-	8,609	8,609	(19,784)	-	-	(19,784)	(11,175)
Total comprehensive income for the period	-	-	8,609	8,609	(19,784)	-	30,928	11,144	19,753
Balance as at 31 March 2020	776,325	1,020,908	71,151	1,092,059	16,886	3,642,000	1,448,565	5,107,451	6,975,835
Balance as at 1 July 2020	776,325	1,020,908	70,714	1,091,622	28,772	3,642,000	1,469,544	5,140,316	7,008,263
Total comprehensive income for the period									
Profit after taxation for the period	-	-	-	-	-	-	703,615	703,615	703,615
Other comprehensive income									
Other comprehensive (loss) / income for the period	-	-	(41,458)	(41,458)	57,530	-	-	57,530	16,072
Total comprehensive income for the period	-	-	(41,458)	(41,458)	57,530	-	703,615	761,145	719,687
Balance as at 31 March 2021	776,325	1,020,908	29,256	1,050,164	86,302	3,642,000	2,173,159	5,901,461	7,727,950

* This represents the Group's share of various reserves held by equity accounted investees.

The annexed notes from 1 to 28 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the nine months ended 31 March 2021

1. THE GROUP AND ITS OPERATIONS

- 1.1** The Group consists of Crescent Steel and Allied Products Limited ('the Holding Company') and its wholly owned subsidiary companies namely; CS Capital (Private) Limited, Solution de Energy (Private) Limited and Crescent Continental Gas Pipelines Limited.
- 1.2** The Holding Company was incorporated on 1 August 1983 as a public limited company in Pakistan under the repealed Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The registered office of the Holding Company and its subsidiaries companies are located at E- Floor, IT Tower, 73-E/1, Hali Road, Gulberg III, Lahore, where as its principal offices are situated at 9th floor, Sidco Avenue Centre, 264 R.A. Lines,
- 1.3** CS Capital (Private) Limited was incorporated on 5 November 2010 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Holding Company acquired this subsidiary on 26 September 2011. The principal activity of the Subsidiary Company is to manage portfolio of shares, commodities and other securities (strategic as well as short term).
- 1.4** Solution de Energy (Private) Limited was incorporated as a private limited company in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as result of a Joint Venture (JV) agreement between the Holding Company and a partnership concern. The principal activity of the Subsidiary Company is to build, own, operate and maintain 100MW solar power project (the Project) and to generate, accumulate, distribute, sell and supply electricity / power to PEPCO / DISCOS under the agreement with the Government of Pakistan or to any other consumer as permitted.
- 1.5** Crescent Continental Gas Pipelines Limited is not carrying on any business operations.
- 1.6** Details regarding the Group's associates are given in note 6 to this condensed interim consolidated financial statements.

2. BASIS OF PREPARATION

- 2.1** These condensed interim consolidated financial statements of the Group have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act,
 - Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act , 2017 have been followed.

- 2.2** These condensed interim consolidated financial statements of the Group do not include all of the information required for annual consolidated financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Group for the year ended 30 June 2020. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.
- 2.3** These condensed interim consolidated financial statements are presented in Pakistan Rupees which is also the Group's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.
- 2.4** These condensed interim consolidated financial statements are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the audited annual consolidated financial statements for the year ended 30 June 2020.

3.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

- 3.2.1** There were certain amendments to accounting and reporting standards which become effective from 1 July 2020 but they do not have a material effect on these condensed interim consolidated financial statements and therefore detailed have not been disclosed.

3.3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS THAT ARE NOT YET EFFECTIVE

There is a new standard and certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after 1 July 2021. However, currently management considers that these will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

4. USE OF ESTIMATES AND JUDGEMENTS

- 4.1** The preparation of condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
- 4.2** Estimates and judgements made by management in the preparation of these condensed interim consolidated financial statements are the same as those that were applied to the annual audited consolidated financial statements of the Group for the year ended 30 June 2020.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Unaudited 31 March 2021	Audited 30 June 2020
		----- (Rupees in '000) -----	
Operating fixed assets	5.1	1,837,501	2,015,212
Capital work-in-progress		108,674	91,471
		<u>1,946,175</u>	<u>2,106,683</u>

5.1 Following are the cost of operating fixed assets added / transferred and disposed off during the nine months period ended:

	Unaudited Nine months ended 31 March 2021		Unaudited Nine months ended 31 March 2020	
	Additions / Transfers	Disposals / Transfers	Additions / Transfers	Disposals
	----- (Rupees in '000) -----			
Land	-	56,757	-	-
Plant and machinery - owned	-	53,148	3,396	-
Plant and machinery - leased	-	-	-	3,396
Electrical / office equipment and installation	579	72	429	-
Computers	1,750	860	324	2,437
Motor vehicles - owned	17,184	-	4,235	5,373
Motor vehicles - leased	-	975	-	1,024
	<u>19,513</u>	<u>111,812</u>	<u>8,384</u>	<u>12,230</u>

6. INVESTMENT IN EQUITY ACCOUNTED INVESTEEES

The following associates, over which the Group has significant influence either due to representation on the investee company's board or percentage of holding of voting power or both, are accounted for under the equity method of accounting as defined in IAS 28 'Investments in Associates'.

Unaudited 31 March 2021	Audited 30 June 2020		Note	Unaudited 31 March 2021	Audited 30 June 2020
(Number of shares)				----- (Rupees in '000) -----	
		Quoted			
63,967,500	63,967,500	Altern Energy Limited (Chief Executive Officer - Mr. Umer Shehzad Sheikh)	6.1	3,326,883	2,875,409
35,011,347	35,011,347	Shakarganj Limited (Chief Executive Officer - Mr. Anjum M. Saleem)	6.1	32,712	211,732
		Unquoted			
3,430,000	3,430,000	Crescent Socks (Private) Limited (Chief Executive Officer - Mr. Shehryar Mazhar)	6.1	-	-
				<u>3,359,595</u>	<u>3,087,141</u>

6.1 Movement of investment in equity accounted investees is as follows:

Description	Note	31 March 2021			Total
		Altern Energy Limited	Shakarganj Limited	Crescent Socks (Private) Limited	
		Rupees in '000			
Opening balance as at 1 July 2020		2,875,409	211,732	-	3,087,141
Share of profit / (loss)	6.2	451,228	(137,316)	-	313,912
Share of equity	6.2	246	(41,704)	-	(41,458)
Closing balance as at 31 March 2021		3,326,883	32,712	-	3,359,595

Description	Note	30 June 2020			Total
		Altern Energy Limited	Shakarganj Limited	Crescent Socks (Private) Limited	
		Rupees in '000			
Opening balance as at 1 July 2019		2,865,712	401,194	-	3,266,906
Share of profit / (loss)		370,961	(197,482)	-	173,479
Share of equity		152	8,020	-	8,172
Dividend received		(361,416)	-	-	(361,416)
Closing balance as at 30 June 2020		2,875,409	211,732	-	3,087,141

6.2 These figures are based on financial statements / information of these companies as at 31 December 2020.

6.3 Percentage of holding of equity in associates is as follows

	Note	Unaudited 31 March 2021	Audited 30 June 2020
Altern Energy Limited	6.3.1	17.60	17.60
Shakarganj Limited	6.3.2	28.01	28.01
Crescent Socks (Private) Limited		48.99	48.99

6.3.1 The Holding Company and the Subsidiary Company hold 16.69% and 0.91% respectively i.e. aggregate holding of 17.60% in the investee company. There is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per IAS 28 'Investments in Associates', therefore only for the purpose of the equity accounting as required under IAS 28 it has been treated as an associate.

6.3.2 The Holding Company and the Subsidiary Company hold 21.93% and 6.08%, respectively i.e. aggregate holding of 28.01% in the investee company. There is common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per IAS 28 'Investments in Associates', therefore only for the purpose of the equity accounting as required under IAS 28 it has been treated as an associate.

6.4 The fair value of investments in associates as at 31 March 2021 is Rs. 2,957.476 million (30 June 2020: Rs. 3,284.274 million).

7. OTHER LONG TERM INVESTMENTS

	Note	Unaudited 31 March 2021	Audited 30 June 2020
(Rupees in '000)			
Fair value through other comprehensive income (FVOCI)	7.1	194,707	132,868
Fair value through profit or loss (FVTPL)	7.2 & 7.3	598,571	598,571
		<u>793,278</u>	<u>731,439</u>

- 7.1** This includes investment in Crescent Textile Mills Limited which are not held for trading and the Group has irrevocably designated at initial application of IFRS 9 to recognise in this category. This is strategic investment and management considers this classification to be more relevant. The accumulated fair value reserve related to this investment will never be reclassified to profit or loss.
- 7.2** This includes investments in Crescent Industrial Chemicals Limited and Crescent Bahuman Limited amounting to Rs. 10.470 million and Rs. 24.037 million, respectively, which had been fully charged to profit or loss in earlier periods.
- 7.3** This also includes investment in Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited amounting to Rs. 462.459 million and Rs. 136.112 million, respectively.

8. LONG TERM DEPOSITS

This includes security deposit amounting to Rs. 209.570 million (30 June 2020: Rs. 199.694 million) under Ijarah financing arrangement.

9. STOCK-IN-TRADE

		Unaudited 31 March 2021	Audited 30 June 2020
(Rupees in '000)			
Raw materials			
Hot rolled steel coils (HR Coil)		299,363	1,470,714
Coating materials		51,043	39,315
Remelting steel scrap		507,541	56,030
Others		86,044	117,476
Raw cotton		244,237	118,521
Stock-in-transit		267,225	58,535
		<u>1,455,453</u>	<u>1,860,591</u>
Provision for obsolescence and slow-moving raw materials		<u>(2,039)</u>	<u>(2,039)</u>
		<u>1,453,414</u>	<u>1,858,552</u>
Work-in-process		12,058	46,508
Finished goods	9.1	292,962	214,215
Scrap / cotton waste		7,128	11,466
		<u>312,148</u>	<u>272,189</u>
		<u>1,765,562</u>	<u>2,130,741</u>

- 9.1** Stock in trade as at 31 March 2021 includes certain items valued at net realisable value (NRV). Charge for the period in respect of stock written down to NRV amounting to Rs. Nil (30 June 2020: Reversal of Rs. 6.906 million) has been recognised in cost of sales.

10. TRADE DEBTS

Note	Unaudited 31 March 2021	Audited 30 June 2020
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(Rupees in '000)**Secured**

Considered good	-	158,208
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Unsecured

Considered good	10.1	128,236	67,591
Considered doubtful		23,140	30,706
		151,376	98,297
Impairment loss on trade debts		(23,140)	(30,706)
		128,236	225,799

10.1 This includes balance due from following related party:

Shakarganj Limited	11,326	-
Crescent Textile Mills Limited	114	-
Shakarganj Food Products Limited	758	-
	12,198	-

11. ADVANCES

This includes advances amounting to Rs. 214.473 million (30 June 2020: Rs. 52.731 million) given to suppliers for goods and services.

12. INVESTMENTS

Note	Unaudited 31 March 2021	Audited 30 June 2020
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(Rupees in '000)

At fair value through profit or loss (FVTPL)	12.1	499,960	339,692
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12.1 These comprise investment in ordinary shares of listed companies and units of mutual funds. These also include investments in Jubilee Spinning and Weaving Mills Limited and Innovative Investment Bank Limited, which had been fully provided for as the break-up value of their shares was Rs. Nil per share (30 June 2020: Rs. Nil per share).

12.2 Investments having an aggregate market value of Rs. 2,013.152 million (30 June 2020: Rs. 1,871.782 million) have been pledged with financial institutions as security against financing facilities (see note 16.4) out of which Rs. 1,672.828 million (30 June 2020: Rs. 1,468.823 million) relates to long term investments.

13. OTHER RECEIVABLES

	Note	Unaudited 31 March 2021	Audited 30 June 2020
		----- (Rupees in '000) -----	
Dividend receivable		3,221	885
Provision there against		(885)	(885)
		<u>2,336</u>	<u>-</u>
Receivable against sale of investments		18,865	17,723
Provision there against		(17,723)	(17,723)
Receivable against sale of investments		1,142	-
Receivable against rent from investment property		643	305
Claim receivable		-	989
Due from related parties	13.1	1,648	1,102
Sales tax refundable		193,119	154,859
Margin on letter of credit and guarantee		15,359	15,359
Receivable from staff retirement benefits funds		24,995	24,995
Others		2,188	9,795
		<u>241,430</u>	<u>207,404</u>

13.1 Due from related parties

Shakarganj Limited	1,102	1,102
Crescent Socks (Private) Limited	400	-
Premier Insurance Company Limited	146	-
	<u>1,648</u>	<u>1,102</u>

	Note	Unaudited 31 March 2021	Audited 30 June 2020
		----- (Rupees in '000) -----	
14. LONG TERM LOANS			
Secured - Under non-shariah arrangement			
Allied Bank Limited	14.1	181,332	195,240
Habib Metropolitan Bank Limited	14.2	124,652	44,440
JS Bank Limited	14.3	12,827	-
		<u>318,811</u>	<u>239,680</u>
Less: Current portion shown under current liabilities		<u>161,558</u>	<u>49,345</u>
		<u>157,253</u>	<u>190,335</u>

- 14.1** During year ended 30 June 2017, Holding Company entered into new loan arrangement with Allied Bank Limited of an amount of Rs. 100 million, out of which Rs. 74.176 million have been disbursed till date. The term of the loan is 5 years from the date of disbursement with a grace period of one year, repayable in 16 equal quarterly installments starting after fifteen months from date of disbursement. During the period, the Holding Company has made repayment of Rs. 9.272 million (30 June 2020: Rs. 18.544 million). Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum.

During year ended 30 June 2018, the Holding Company entered into new loan arrangement with Allied Bank Limited of an amount of Rs. 300 million, out of which Rs. 217.050 million have been disbursed till date. The term of the loan is 4 years from the date of disbursement with a grace period of one year; however, due to COVID-19 the bank has allowed one year more grace period, repayable in 12 equal quarterly installments starting after twelve months from date of disbursement. Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum.

The mark-up on such arrangements ranged from 8.19% to 10.04% (30 June 2020: 12.69% to 14.99%) per annum. The facility is secured against first joint pari passu hypothecation / equitable mortgage on plant, machinery and property of the Holding Company.

- 14.2** During the year ended 30 June 2020, the Holding Company entered into new loan arrangement with Habib Metropolitan Bank Limited under the State Bank of Pakistan's (SBP) "Refinance Scheme for Payment of Wages & Salaries to the Workers and Employees of Business Concern". The Holding Company has obtained the said loan at subsidized rate in two tranches in May 2020 and June 2020. The term of the loan is 2.5 years from the date of disbursement with a grace period of 6 months, repayable in 8 equal quarterly installments starting from March 2021. Mark-up is payable at the concessional rate of 2.5% per annum.

During the period, the Holding Company further entered into new loan arrangement with Habib Metropolitan Bank Limited under the SBP's "Refinance Scheme for Payment of Wages & Salaries to the Workers and Employees of Business Concern". The Holding Company has obtained the said loan at subsidized rate in four tranches; one tranche in July 2020, two tranches in September 2020 and one tranche in October 2020. The term of the loan is 2.5 years from the date of disbursement with a grace period of 6 months, repayable in 8 equal quarterly installments starting from March 2021. Mark-up is payable at the concessional rate of 2.5% per annum.

The effective interest on such arrangements ranged from 8.68% to 10.16% per annum.

- 14.3** During the period ended, the Holding Company entered into new loan arrangement with JS Bank Limited under the SBP Financing Scheme for Renewable Energy of an amount of Rs. 100 million, out of which Rs. 12.827 million have been disbursed till date. The said arrangement is under approval with the State Bank of Pakistan (SBP). The term of the loan is 10 years from the date of disbursement with a grace period of three months, repayable in monthly installments starting after ninety days from the date of disbursement. Mark-up is payable at the rate of 1 month KIBOR plus 1% per annum till approval of refinance from SBP. Mark-up will be payable at the concessional rate of 6% per annum after SBP's approval.

15. TRADE AND OTHER PAYABLES

	Note	Unaudited 31 March 2021	Audited 30 June 2020
		----- (Rupees in '000) -----	
Trade creditors		161,892	263,949
Bills payable		234,667	42,647
Commission payable		3,786	1,925
Accrued liabilities		335,610	411,753
Advances from customers		42,698	95,674
Provisions		249,548	237,414
Due to related parties	15.1	4,008	4,016
Payable to provident fund		1,938	2,067
Payable to staff retirement benefit funds		3,072	2,257
Retention money		10,471	10,471
Sales tax payable		64,829	12,297
Withholding tax payable		12,490	1,504
Workers' Profit Participation Fund		20,288	2,061
Workers' Welfare Fund		10,869	4,114
Others		44,642	23,187
		1,200,808	1,115,336

15.1 Due to related parties

Premier Insurance Company Limited	-	232
The Citizens Foundation	4,008	-
Shakarganj Limited	-	3,784
	4,008	4,016

16. SHORT TERM BORROWINGS

	Note	Unaudited 31 March 2021 ----- (Rupees in '000) -----	Audited 30 June 2020
Secured from banking companies			
Running finances under mark-up arrangements	16.1	601,634	609,820
Short term loans	16.2	1,180,107	2,093,043
		<u>1,781,741</u>	<u>2,702,863</u>

- 16.1** Short term running finance / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 1,300 million (30 June 2020: Rs. 1,310.8 million) out of which Rs. 300 million (30 June 2020: Rs. 300 million) and Rs. 150 million (30 June 2020: Rs. 150 million) and Rs. 300 million (30 June 2020: Rs. 450 million) are interchangeable with letters of credit, letters of guarantee facility and short term loans, respectively. During the period, the mark-up on such arrangements ranged from 8.19% to 10.54% (30 June 2020: 10.33% to 15.85%) per annum.
- 16.2** These include an amount of Rs. 596.066 million (30 June 2020: Rs. 697.11 million) outstanding against Islamic mode of financing. Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 4,350 million (30 June 2020: Rs. 4,600 million) out of which Rs. 3,650 million (30 June 2020: Rs. 3,400 million), Rs. 350 million (30 June 2020: Rs. 255 million) and Rs. 305 million (30 June 2020: Rs. 350 million) are interchangeable with letters of credit, short-term running finance and letters of guarantee facility, respectively. During the period, the mark-up on such arrangements ranged from 8.19% to 10.54% (30 Jun 2020: 9.79% to 16.18%) per annum.
- 16.3** The facilities for opening letters of credit amounted to Rs. 4,600 million (30 June 2020: Rs. 4,600 million) out of which Rs. 300 million (30 June 2020: Rs. 300 million), Rs. 3,650 million (30 June 2020: Rs. 3,650 million) and Rs. 305 million (30 June 2020: Rs. 255 million) are interchangeable with short term running finance, short term loans and letters of guarantee facility respectively as mentioned in notes 16.1 and 16.2 above. The facility for letters of guarantee as at 31 March 2021 amounted to Rs. 1,847 million (30 June 2020: Rs. 1,826.1 million). Amounts unutilized for letters of credit and guarantees as at 31 March 2021 were Rs. 4,090.25 million and Rs. 222.5 million (30 June 2020: Rs. 4,458.24 million and Rs. 71.423 million), respectively.
- 16.4** The above facilities (refer note 16.1 to 16.3) are expiring on various dates and are secured by way of mortgage of land and building, hypothecation of plant and machinery, stock-in-trade, trade debts and other current assets, pledge of shares (refer note 12.2) and cotton / cotton yarn; and lien over import / export document.

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There is no significant change in the status of the matters as set out in note 12.3, 15, 29.3 and 30.1 to the Group's annual consolidated financial statements for the year ended 30 June 2020.

17.2 Commitments

- 17.2.1** During the year ended 30 June 2020, Bank Islami Pakistan Limited (BIPL) deferred the principal payments of rentals for one year as per the directives issued by State Bank of Pakistan vide its circular no. 12 dated 26 March 2020. As at 31 March 2021, amount of lease rentals outstanding under the Ijarah financing arrangement is Rs. 110.652 million (30 June 2020: Rs. 121.692 million), which is payable in quarterly installments of Rs. 22.877 million (30 June 2020: Rs. 22.898 million).
- 17.2.2** Aggregate amount of guarantees issued by banks on behalf of the Group against various contracts aggregated to Rs. 1,624.33 million (30 June 2020: Rs. 1,654 million). These include guarantees issued by Islamic banks amounting to Rs. 207.590 million (30 June 2020: Rs. 153.591 million).
- 17.2.3** Commitments in respect of capital expenditure contracted for by the Holding Company as at 31 March 2021 amounted to Rs. 8.455 million (30 June 2020: Rs. 8.455 million).
- 17.2.4** Commitments under letters of credit as at 31 March 2021 amounted to Rs. 509.75 million (30 June 2020: Rs. 228.486 million).

18. SALES

SALES	Note	Unaudited		Unaudited	
		Quarter ended		Nine months ended	
		31 March	31 March	31 March	31 March
		2021	2020	2021	2020
----- (Rupees in '000) -----					
Local sales					
Bare pipes	18.1	396,271	98,964	2,934,155	345,976
Steel billets		860,018	509,052	1,368,446	786,972
Pipe coating		-	2,231	5,753	86,605
Pre coated pipes		-	46,161	32,972	57,971
Cotton yarn / raw cotton		568,797	426,988	1,625,626	1,360,107
Electricity sales		133,357	88,974	187,762	136,025
Steam sales		224,740	76,453	348,468	113,508
Others		30,405	7,774	83,392	44,907
Scrap / waste		14,943	48,519	111,452	92,919
		2,228,531	1,305,116	6,698,026	3,024,990

18.1 This is presented net of liquidated damages amounting to Rs. 6.429 million.

18.2 Revenue is disaggregated by major products and also by geographical market additionally revenue by measure customer is disclosed in note 25.4 to these condensed interim consolidated financial statements.

		Unaudited		Unaudited	
		Quarter ended		Nine months ended	
	Note	31 March 2021	31 March 2020	31 March 2021	31 March 2020
		----- (Rupees in '000) -----			
19. INCOME / (LOSS) FROM INVESTMENTS - NET					
Dividend income	19.1	10,346	3,019	25,813	24,208
Gain / (loss) on sale of FVTPL investments - net	19.2	6,291	639	12,711	(4,136)
Unrealized gain / (loss) on FVTPL investments - net	19.3	2,098	(336,493)	91,474	(72,800)
Rent from investment properties	19.5	2,283	1,631	7,509	4,892
		21,018	(331,204)	137,507	(47,836)

19.1 This includes Rs. 14.104 million earned on investments in Shariah Compliant Investee Companies.

19.2 This includes gain of Rs. 7.460 million incurred on investments in Shariah Compliant Investee Companies.

19.3 This includes gain of Rs. 79.584 million on investments in Shariah Compliant Investee Companies.

19.4 Income from investment was categorised as Shariah / Non-Shariah Compliant Investee Companies on the basis of All Shares Islamic Index as circulated by the Pakistan Stock Exchange.

19.5 Direct operating expenses incurred against rental income from investment properties amounted to Rs. 7.596 million (31 March 2020: Rs. 0.280 million). Further, Rs. Nil (31 March 2020: Rs. 1.293 million) were incurred against non rented out area.

20. OTHER OPERATING EXPENSES

	Unaudited Quarter ended		Unaudited Nine months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	----- (Rupees in '000) -----			
Workers' Profit Participation Fund	2,099	94	18,226	107
Workers' Welfare Fund	876	-	6,755	-
Slow moving stores, spares and loose tools	-	-	4,905	-
	<u>2,975</u>	<u>94</u>	<u>29,886</u>	<u>107</u>

21. FINANCE COSTS

	Unaudited Quarter ended		Unaudited Nine months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	----- (Rupees in '000) -----			
Mark-up on short term loans - Shariah arrangement	11,960	12,534	29,950	42,519
- finance lease obligations	1,785	4,142	5,851	12,996
- long term loan	7,322	7,666	20,497	26,125
- running finances / short term loans	26,792	61,621	101,232	145,536
Bank charges	1,331	2,644	4,058	6,834
	<u>49,190</u>	<u>88,607</u>	<u>161,588</u>	<u>234,010</u>

22. BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE

	Unaudited Quarter ended		Unaudited Nine months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	----- (Rupees in '000) -----			
(Loss) / profit for the period	<u>(21,234)</u>	<u>(196,755)</u>	<u>703,615</u>	<u>30,928</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>77,632,491</u>	<u>77,632,491</u>	<u>77,632,491</u>	<u>77,632,491</u>
	----- (Rupees) -----			
(Loss) / earnings per share - Basic and diluted	<u>(0.27)</u>	<u>(2.53)</u>	<u>9.06</u>	<u>0.40</u>

23. CASH GENERATED FROM / (USED IN) OPERATIONS

Note	Unaudited	
	Nine months ended	
	31 March 2021	31 March 2020
	----- (Rupees in '000) -----	
Profit before taxation	867,671	(241,473)
Adjustments for non cash charges and other items		
Depreciation on operating fixed assets and investment properties	166,067	171,670
Amortization of intangible assets	424	139
Charge for the period on staff retirement benefit funds	17,582	17,246
Dividend income	(25,813)	(24,208)
Unrealized (gain) / loss on FVTPL investments - net	(91,474)	72,800
(Gain) / loss on sale of FVTPL investments - net	(12,711)	4,136
Provision for stores, spares and loose tools - net	4,905	-
Provision for Workers' Welfare Fund	6,755	-
Provision for Workers' Profit Participation Fund	18,226	107
Provision for liquidated damages	6,429	-
Return on deposits	(459)	(791)
Gain on disposal of operating fixed assets	(134,119)	(1,061)
Deferred income	(6,698)	(5,443)
Unwinding of discount on long term deposit	(16,797)	(16,464)
Liabilities written back	-	(804)
Finance costs	161,588	234,010
Share of profit from equity accounted investees - net of taxation	(313,912)	(265,227)
Working capital changes	319,532	(343,252)
23.1	<u>967,196</u>	<u>(398,615)</u>
23.1 Working capital changes		
<i>Decrease / (increase) in current assets</i>		
Stores, spares and loose tools	11,296	37,546
Stock-in-trade	365,179	(588,994)
Trade debts	97,563	(150,327)
Advances	(161,575)	(80,676)
Trade deposits and short term prepayments	(9,597)	(6,276)
Other receivables	(31,690)	(133,393)
	<u>271,176</u>	<u>(922,120)</u>
<i>Increase in current liabilities</i>		
Trade and other payables	48,356	578,868
	<u>319,532</u>	<u>(343,252)</u>

24. CASH AND CASH EQUIVALENTS

Running finances under mark-up arrangements	(601,634)	(657,306)
Cash and bank balances	60,593	10,580
	<u>(541,041)</u>	<u>(646,726)</u>

25. SEGMENT REPORTING

25.1 Reportable segments

The Group's reportable segments are as follows:

- Steel segment - It comprises of manufacturing and coating of steel pipes.
- Cotton segment - It comprises of manufacturing of yarn.
- Investment and Infrastructure Development (IID) segment - To effectively manage the investment portfolio in shares and other securities (strategic as well as short term) and investment properties (held for rentals as well as long term appreciation).
- Energy segment - It comprises of generating and supplying electricity/power.
- Hadeed (Billet) segment - It comprises of manufacturing billets.

Information regarding the Group's reportable segments is presented below:

25.2 Segment revenues and results

Following is an analysis of the Group's revenue and results by reportable segment:

For the nine months ended 31 March 2021	Unaudited						Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments elimination / adjustments	
	(Rupees in '000)						
Sales - net	2,657,842	1,406,620	552,966	1,206,884	-	(100,619)	5,723,693
Cost of sales	2,202,313	1,244,800	528,643	1,222,278	-	(100,619)	5,097,415
Gross profit / (loss)	455,529	161,820	24,323	(15,394)	-	-	626,278
Income from investments	-	-	-	-	137,507	-	137,507
	455,529	161,820	24,323	(15,394)	137,507	-	763,785
Distribution and selling expenses	7,939	2,370	-	618	-	-	10,927
Administrative expenses	125,969	25,912	3,743	13,300	20,584	-	189,508
Other operating expenses	22,729	7,157	-	-	-	-	29,886
	156,637	35,439	3,743	13,918	20,584	-	230,321
	298,892	126,381	20,580	(29,312)	116,923	-	533,464
Other income	29,116	13,745	-	10,821	128,201	-	181,883
Operating profit / (loss) before finance costs	328,008	140,126	20,580	(18,491)	245,124	-	715,347
Finance costs	134,409	8,070	1	17,109	1,999	-	161,588
Share of profit in equity accounted investees - net of taxation	-	-	-	-	313,912	-	313,912
Profit / (loss) before taxation	193,599	132,056	20,579	(35,600)	557,037	-	867,671
Taxation							(164,056)
Profit for the period							703,615
For the nine months ended 31 March 2020	Unaudited						Total
	Steel segment (Restated)	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments elimination / adjustments	
	(Rupees in '000)						
Sales - net	489,341	1,169,015	279,513	713,027	-	(66,237)	2,584,659
Cost of sales	606,798	1,122,479	283,517	701,996	-	(66,237)	2,648,553
Gross (loss) / profit	(117,457)	46,536	(4,004)	11,031	-	-	(63,894)
Income from investments - net	-	-	-	-	313,580	(361,416)	(47,836)
	(117,457)	46,536	(4,004)	11,031	313,580	(361,416)	(111,730)
Distribution and selling expenses	8,997	2,437	-	484	-	-	11,918
Administrative expenses	127,111	27,213	5,032	7,570	17,073	-	183,999
Other operating expenses	(191)	298	-	-	-	-	107
	135,917	29,948	5,032	8,054	17,073	-	196,024
	(253,374)	16,588	(9,036)	2,977	296,507	(361,416)	(307,754)
Other income	26,854	4,996	-	3,214	-	-	35,064
Operating (loss) / profit before finance costs	(226,520)	21,584	(9,036)	6,191	296,507	(361,416)	(272,690)
Finance costs	177,267	15,915	3	26,247	14,578	-	234,010
Share of profit in equity accounted investees - net of taxation	-	-	-	-	265,227	-	265,227
(Loss) / profit before taxation	(403,787)	5,669	(9,039)	(20,056)	547,156	(361,416)	(241,473)
Taxation							(272,401)
Profit for the period							30,928

25.2.1 Revenue reported above represents revenue generated from external customers and inter-segment sales of electricity by Energy Segment to Hadeed (Billet) Segment of Rs. 94.65 million (31 March 2020: Rs. 66.237 million) and Rs. 5.969 million (31 March 2020: Rs. Nil) of scrap sales by Steel Segment to Hadeed (Billet) Segment.

25.2.2 Transfer prices between reportable segments are on an agreed basis in a manner similar to transactions between third parties.

25.2.3 The accounting policies of the reportable segments are the same as the Group's accounting policies as described in the annual consolidated financial statements of the Group for the year ended 30 June 2020. The Steel segment allocates certain percentage of the common expenditure to the Cotton, Energy, Hadeed (Billet) and IID segments. In addition, finance costs between Steel and Cotton segments are allocated at average mark-up rate on the basis of funds utilized. This is the measure reported to management for the purposes of resource allocation and assessment of segment performance.

25.3 Revenue from major products and services

The analysis of the Group's revenue from external customers for major products and services is given in note 18 to these condensed interim consolidated financial statements.

25.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 2,591.828 million (31 March 2020: Rs. 393.097 million) of total Steel segment revenue of Rs. 2,657.842 million (31 March 2020: Rs. 489.341 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. 490.056 million (31 March 2020: Rs. 183.222 million) of total Cotton segment revenue of Rs. 1,406.620 million (31 March 2020: Rs. 1,169.015 million). Revenue from major customers of Energy segment represents an aggregate amount of Rs. 458.316 million (31 March 2020: Rs. 116.261 million) of total Energy segment revenue of Rs. 552.966 (31 March 2020: Rs. 279.513 million). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. 1,190.646 million (31 March 2020: Rs. 520.443 million) of total Hadeed (Billet) segment revenue of Rs. 1,206.884 million (31 March 2020: Rs. 713.027 million).

25.5 Geographical information

25.5.1 All revenues from external customers and inter-segment sales were generated in Pakistan.

25.5.2 All non-current assets of the Group as at 31 March 2021 and 30 June 2020 were located and operating in Pakistan.

25.6 Segment assets and liabilities

Reportable segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
	----- (Rupees in '000) -----					
As at 31 March 2021 - Unaudited						
Segment assets for reportable segments	1,633,011	592,164	832,062	1,668,688	1,404,432	6,130,357
Investment in equity accounted investees	-	-	-	-	3,359,595	3,359,595
Unallocated corporate assets						1,709,994
Total assets as per consolidated statement of financial position						11,199,946
Segment liabilities for reportable segments	660,843	194,931	103,248	212,917	30,202	1,202,141
Unallocated corporate liabilities and deferred income						2,269,855
Total liabilities as per consolidated statement of financial position						3,471,996
As at 30 June 2020 - Audited						
Segment assets for reportable segments	2,934,338	506,150	809,174	846,220	1,143,380	6,239,262
Investment in equity accounted investees	-	-	-	-	3,087,141	3,087,141
Unallocated corporate assets						1,969,562
Total assets as per consolidated statement of financial position						11,295,965
Segment liabilities for reportable segments	756,226	269,746	118,597	57,488	30,470	1,232,527
Unallocated corporate liabilities and deferred income						3,055,175
Total liabilities as per consolidated statement of financial position						4,287,702

25.6.1 For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than those directly relating to corporate and taxation assets; and
- all liabilities are allocated to reportable segments other than those directly relating to corporate and taxation.

Cash and bank balances, borrowings and related mark-up receivable therefrom and payable thereon, respectively are not allocated to reporting segments as these are managed by the Group's central treasury function.

25.7 Other segment information

	----- Unaudited -----					
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
	----- (Rupees in '000) -----					
For the nine months ended						
31 March 2021						
Capital expenditure	41,144	975	2,383	-	-	44,502
Depreciation and amortization	55,049	21,970	45,548	40,474	3,450	166,491
Non-cash items other than depreciation and amortization	153,885	11,219	239	17,530	(569,371)	(386,498)
For the nine months ended						
31 March 2020						
Capital expenditure	8,384	-	955	-	-	9,339
Depreciation and amortization	58,500	23,356	40,499	45,554	3,900	171,809
Non-cash items other than depreciation and amortization	167,419	21,313	295	26,648	(201,374)	14,301

26. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associates, directors, companies where directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. All transactions with parties are under agreed terms / contractual arrangements. Transactions between the Holding Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

Transactions with related parties other than those disclosed elsewhere are as follows:

Name of entity	Nature of relationship	Nature of transaction	Unaudited Nine months ended	
			31 March 2021	31 March 2020
			----- (Rupees in '000) -----	
Altern Energy Limited	Associated company	Dividend received	-	361,416
Shakarganj Limited	Associated company	Sales of finished goods	18,227	1,109
		Sales of electricity and steam	458,316	213,276
		Services received	4,970	1,454
		Reimbursable expenses	1,863	1,106
		Advance given for raw material	46,000	30,600
		Payment received against services provided	6,509	30,000
		Purchase of raw material	546,889	219,520
		Payment made against services received	18,528	30,000
		Expenses incurred on behalf of the Company	-	9,375
Shakarganj Food Products Limited	Related party	Services given	4,864	-
		Payments received from services given	11,170	-
The Crescent Textile Mills Limited	Associated company	Dividend received	-	3,829
		Payment received	1,258	-
		Services received	1,372	-
		Sales of finished goods	-	41,198
Crescent Socks (Private) Limited	Related party	Services given	800	-
The Citizens' Foundation*	Related party	Donation given	4,220	184
Premier Insurance Limited*	Related party	Insurance premium	7,200	5,530
		Insurance premium paid	7,095	-
CSAP - Staff Benevolent Fund	Staff Welfare Fund	Contribution made	2,034	-
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	3,813	3,286
Crescent Hadeed (Private) Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	459	-
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	3,252	4,805
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	13,293	12,440
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	6,691	12,950
Key management personnel	Related parties	Remuneration and benefits	88,732	72,295
Directors	Related parties	Meeting fee	3,090	2,470

* These entities are / have been related parties of the Group by virtue of common directorship only.

- 26.1** Sale of finished goods and raw materials, rendering of services and insurance premium are based on commercial terms and at market prices which are approved by the Board of Directors.
- 26.2** Contributions to the employee retirement benefit funds are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.
- 26.3** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including directors of the Group. There were no transactions with the key management personnel during the period other than their terms of employment / entitlements.

27. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in annual consolidated financial statements of the Group for the year ended 30 June 2020.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 March 2021 (Unaudited)								
Carrying amount					Fair value			
Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investment								
- Listed equity securities	499,960	194,707	-	694,667	694,667	-	-	694,667
- Unlisted equity securities	598,571	-	-	598,571	-	-	598,571	598,571
	1,098,531	194,707	-	1,293,238	694,667	-	598,571	1,293,238
Financial assets not measured at fair value								
Deposits	-	-	307,616	307,616	-	-	-	-
Trade debts	-	-	128,236	128,236	-	-	-	-
Other receivables	-	-	23,316	23,316	-	-	-	-
Bank balances	-	-	59,332	59,332	-	-	-	-
	-	-	518,500	518,500	-	-	-	-
Financial liabilities not measured at fair value								
Long term loans	-	-	318,811	318,811	-	-	-	-
Lease liabilities	-	-	77,338	77,338	-	-	-	-
Trade and other payables	-	-	800,086	800,086	-	-	-	-
Mark-up accrued	-	-	29,012	29,012	-	-	-	-
Short term borrowings	-	-	1,781,741	1,781,741	-	-	-	-
	-	-	3,006,988	3,006,988	-	-	-	-

30 June 2020 (Audited)

	Carrying amount				Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost	Total	Level 1	Level 2	Level 3	Total
<hr style="border-top: 1px dashed black;"/>									
(Rupees in '000)									
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investment									
- Listed equity securities	339,692	132,868	-	-	472,560	472,560	-	-	472,560
- Unlisted equity securities	598,571	-	-	-	598,571	-	-	598,571	598,571
	<u>938,263</u>	<u>132,868</u>	<u>-</u>	<u>-</u>	<u>1,071,131</u>	<u>472,560</u>	<u>-</u>	<u>598,571</u>	<u>1,071,131</u>
Financial assets not measured at fair value									
Deposits	-	-	281,491	-	281,491	-	-	-	-
Trade debts	-	-	225,799	-	225,799	-	-	-	-
Other receivables	-	-	27,550	-	27,550	-	-	-	-
Bank balances	-	-	23,748	-	23,748	-	-	-	-
	<u>-</u>	<u>-</u>	<u>558,588</u>	<u>-</u>	<u>558,588</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value									
Long term loan	-	-	-	239,680	239,680	-	-	-	-
Lease liabilities	-	-	-	111,287	111,287	-	-	-	-
Trade and other payable	-	-	-	762,271	762,271	-	-	-	-
Unclaimed dividend	-	-	-	26,443	26,443	-	-	-	-
Mark-up accrued	-	-	-	55,112	55,112	-	-	-	-
Short term borrowings	-	-	-	2,702,863	2,702,863	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,897,656</u>	<u>3,897,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Group has not disclosed the fair values for all other financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

The fair value of listed securities were taken from rates quoted on Pakistan Stock Exchange and classified under level 1 in fair value hierarchy.

Investment property fair value have been determined by professional valuers (level 3 measurement) based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Group. The valuation experts used a market based approach to arrive at the fair value of the Group's investment properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these condensed interim consolidated financial statements.

27.1 Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring level 3 fair values as at 31 March 2021 for unquoted equity investments were same as at 30 June 2020. There was no change in significant unobservable inputs from 30 June 2020; therefore, carried at same values.

28. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue in the Board of Directors meeting held on 29 April 2021.



Chief Executive



Director



Chief Financial Officer

