



Crescent Steel and
Allied Products Limited

LEGACY OF MATERIALS

UNFOLDING SCULPTURE
ART THROUGH TIME

1st Quarterly
Report 2025

CONTENTS

COMPANY INFORMATION

Company Profile	01
Company Information	03

DIRECTORS' REPORT

Directors' Report	09
Directors' Report (Urdu)	14

UNCONSOLIDATED FINANCIAL STATEMENTS

Condensed Interim Unconsolidated Statement of Financial Position	24
Condensed Interim Unconsolidated Statement of Profit or Loss and other Comprehensive Income	25
Condensed Interim Unconsolidated Statement of Changes in Equity	26
Condensed Interim Unconsolidated Statement of Cash Flows	27
Notes to the Condensed Interim Unconsolidated Financial Statements	28

CONSOLIDATED FINANCIAL STATEMENTS

Condensed Interim Consolidated Statement of Financial Position	49
Condensed Interim Consolidated Statement of Profit or Loss and other Comprehensive Income	50
Condensed Interim Consolidated Statement of Changes in Equity	51
Condensed Interim Consolidated Statement of Cash Flows	52
Notes to the Condensed Interim Consolidated Financial Statements	53

COMPANY PROFILE

Crescent Steel and Allied Products Limited is a conglomerate corporation 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 defined sectors – 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 manufacturing facility produces Submerged Arc Welded Helical seam carbon steel pipes in diameters ranging from 8 to 120 inches (219mm – 3,048mm), thickness up to 1 inch and in steel grade up to API 5L X-100 or equivalent. 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 Tape coatings on steel pipes diameters ranging from 4" – 84" (114 mm – 2,134 mm) and internal epoxy coatings on diameters ranging from 8"– 84" (219 mm – 2,134 mm).

Crescent Steel is a 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 has the capability to fabricate and erect reliable, quality machinery at par with international standards and designs, especially for the sugar and cement industry. The unit specializes in the manufacture and supply of cane shredders, juice heaters, evaporators, batch and continuous vacuum pans, centrifugal machines, stainless steel deep bed filters, spray clusters, 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 it was leveraged for partial fabrication of a continuous caster machine structure, girders for overhead cranes and a vibratory scrap feeder for the billet manufacturing units of the steel industry.

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. As a division, it is registered with the Ministry of Textile Industry Pakistan and All Pakistan Textile Mills Association (APTMA). It 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 kilograms per annum.

The brand is known for its high quality and hence demands a premium.

INVESTMENT AND INFRASTRUCTURE DEVELOPMENT DIVISION

The division manages an investment portfolio in securities (shares, bonds and other securities), across diversified sectors and investment properties in order to meet specified investment goals at a given risk appetite, to maximize returns.

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

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

CRESCENT HADEED DIVISION – BILLET MANUFACTURING UNIT

The principal activity of the unit is to manufacture and sale Steel Billet through a Steel Melting plant which is located at Bhone, District Jhang, Punjab. It commenced commercial operations in January 2016.

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 sizes ranging from 100mm X 100mm to 150mm X 150mm and a standard length of 6 meters. Billets manufactured by the unit 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 of Crescent Steel. The principal activity of the subsidiary is to manage and organically grow investment portfolios in stocks, commodities, and other securities, both strategic and 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 operates as a fully owned subsidiary of Crescent Steel, post amalgamation of CS Energy (Private) Limited and Crescent Steel.

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

COMPANY INFORMATION

BOARD OF DIRECTORS

Ahmad Waqar
Chairman, Non-Executive Director

Ahsan M. Saleem
Chief Executive Officer

Ahmad Shafi
Non-Executive Director

Muhammad Kamran Saleem
Non-Executive Director (Independent)

Nadeem Maqbool
Non-Executive Director (Independent)

Nausheen Ahmad
Non-Executive Director (Independent)

Nihal Cassim
Non-Executive Director (Independent)

S.M. Ehtishamullah
Non-Executive Director

COMPANY SECRETARY

Azeem Sarwar

AUDIT COMMITTEE

Nihal Cassim
Chairman, Non-Executive Director (Independent)

Ahmad Shafi
Member, Non-Executive Director

Nadeem Maqbool
Member, Non-Executive Director (Independent)

S.M. Ehtishamullah
Member, Non-Executive Director

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Nadeem Maqbool
Chairman, Non-Executive Director (Independent)

Ahmad Shafi
Member, Non-Executive Director (Independent)

Ahmad Waqar
Member, Non-Executive Director

Nausheen Ahmad
Member, Non-Executive Director

GOVERNANCE AND NOMINATION COMMITTEE

Ahmad Waqar
Chairman, Non-Executive Director

Ahsan M. Saleem
Member, Chief Executive Officer

Muhammad Kamran Saleem
Member, Non-Executive Director (Independent)

Nausheen Ahmad
Non-Executive Director (Independent)

RISK MANAGEMENT COMMITTEE

S.M. Ehtishamullah
Chairman, Non-Executive Director

Muhammad Kamran Saleem
Member, Non-Executive Director (Independent)

Nihal Cassim
Non-Executive Director (Independent)

Disclaimer: Other than the position of Chairman and CEO, listings are in alphabetical order

MANAGEMENT TEAM

Ahsan M. Saleem – 1983*
Chief Executive Officer

Muhammad Saad Thaniana – 2007*
Chief Financial Officer and CEO Solution De Energy (Private) Limited

Abdul Rouf – 2000*
Business Unit Head – Cotton Division

Hajerah A. Saleem – 2012*
Business Unit Head – Investments and Infrastructure Development Division and Head of Corporate Affairs and CEO CS Capital (Private) Limited

Hasan Altaf Saleem – 2010*
Business Unit Head – Crescent Hadeed

Abdullah A. Saleem – 2017*
Business Unit Head – Steel Division and Head of Commercial Operations

Owais Ahmed – 2024*
IT Advisor

Mushtaque Ahmed – 1985*
Head of Manufacturing – Steel Division

HEAD OF INTERNAL AUDIT

Muhammad Shakeeb Ullah Khan – 2021*

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
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
United Bank Limited

* Year of Joining

SHARIAH COMPLIANT

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

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: abdullah.saleem@crescent.com.pk

ENGINEERING UNIT

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

**Registered Office and Principal office are same as Holding Company

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@crecident.com.pk

CRESCENT HADEED DIVISION BILLET MANUFACTURING UNIT

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

CS ENERGY DIVISION POWER GENERATION UNIT

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

PUBLIC INFORMATION

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

Mr. Azeem Sarwar
Company Secretary
9th Floor, Sidco Avenue Centre, 264
R.A. Lines, Karachi-74200.
Tel: +92 21 3567 4881-85
Email: company.secretary@crecident.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



ANNUAL REPORT

For 1st Quarterly Report 2025 go to:
<https://www.crescent.com.pk/uploads/media/quarterly-report-september-2024-1730275627.pdf>



CONTEMPORARY ART

1980.....

Contemporary art is the art of today, produced in the second half of the 20th century or in the 21st century. Contemporary artists work in a globally influenced, culturally diverse, and technologically advancing world. Their art is a dynamic combination of materials, methods, concepts, and subjects that continue the challenging of boundaries that was already well underway in the 20th century. Diverse and eclectic, contemporary art as a whole is distinguished by the very lack of a uniform, organising principle, ideology, or “-ism”. Contemporary art is part of a cultural dialogue that concerns larger contextual frameworks such as personal and cultural identity, family, community, and nationality.


Cildo Meireles

Title: Inmensa

Medium: Cor-ten steel





A large industrial steel mill with sparks flying from a rotating metal surface.

CRESCENT STEEL AND ALLIED PRODUCTS LIMITED

DIRECTORS' REPORT

FOR THE QUARTER ENDED SEPTEMBER 30, 2024

DIRECTORS' REPORT

The Directors of the Company are pleased to submit their report, together with Un-audited condensed interim unconsolidated and consolidated financial statements of the Company and the Group for the quarter ended September 30, 2024.

ECONOMIC OUTLOOK

Pakistan's economy exhibited strong performance in Q1FY25, characterized by multiple positive economic indicators. Remittances remained a key contributor to foreign exchange stability, reflecting sustained support from the diaspora.

The country also saw a rise in foreign direct investment (FDI), with increased inflows directed towards critical sectors like energy, technology, and infrastructure. This trend was complemented by a surge in startup investments, positioning Pakistan as an emerging hub for technological and entrepreneurial activities in the region.

A significant factor in this positive economic trajectory has been the proactive role of the Special Investment Facilitation Council (SIFC). The SIFC has focused on creating a conducive environment for investment by simplifying regulatory frameworks, reducing bureaucratic obstacles, and encouraging both domestic and international investments. This has helped in creating a more stable economic environment and has been instrumental in driving growth.

Looking ahead, the outlook remains cautiously optimistic. The easing of inflationary pressures improved external funding from the IMF, and the SBP's accommodative stance are expected to continue supporting economic stability. The government's efforts to manage fiscal challenges, alongside a stable currency, will be pivotal in maintaining this positive trajectory through the remainder of FY25.

The Consumer Price Index (CPI) in September 2024 registered at 6.9%, marking the lowest reading in the past 35 months. This decline was primarily attributed to a high base effect and a significant drop in food prices due to bumper local crop yields. In its Monetary Policy Committee (MPC) meeting held on September 12, 2024, the State Bank of Pakistan (SBP) reduced the policy rate by 2.0%, bringing it down to 17.5%.

Q1FY25 marked a turning point for Pakistan's external account, with foreign exchange reserves at USD 15.98 billion by the end of September 2024. This improvement came on the back of a successful IMF Extended Fund Facility (EFF) program, which not only injected much-needed capital but also rekindled confidence in Pakistan's economic resilience.

In Q1FY25, Pakistan's external sector demonstrated mixed results. Cumulative exports for the quarter were USD 7.90 billion (a growth of 14.61% compared to the same period last year). Imports rose to USD 13.39 billion (a 10.58% increase). Despite export growth, the trade balance remained negative, with a trade deficit of USD 5.48 billion, slightly widening by 5.25% compared to the same period last year.

Large Scale Manufacturing (LSM) in Pakistan showed a positive turnaround, with output increasing by 2.4% in July 2024, a strong recovery from a contraction of 5.4% in July 2023.

During Q1FY25, Pakistan recorded its highest-ever quarterly workers' remittance inflows, at \$8.8 billion primarily due to a stable exchange rate. Total home remittance inflows grew by 38.8% compared to the same period in FY24, (an increase of \$2.45 billion over the previous year's figure of \$6.33 billion for July to September 2024).

FINANCIAL AND OPERATIONAL PERFORMANCE

Overall Unconsolidated Financial Performance

The company's sales revenue for the quarter ended September 30, 2024 (Q1FY25) stood at Rs. 1,145.8 million (Q1FY24: Rs. 1,346.8 million). Cost of Goods sold stood at Rs. 919.8 million (Q1FY24: Rs. 1,020.1 million) generating a Gross Profit (GP) of Rs. 226.0 million (Q1FY24 GP of Rs. 326.7 million) which was 19.7 percent of sales as compared to a margin of 24.3 percent in Q1FY24.

Quarterly performance was majorly represented by Steel Division where revenue for the Q1FY25 amounted to Rs. 1,145.8 million (Q1FY24: Rs. 1,346.8 million).

During Q1FY25, Steel division posted a GP of Rs. 272.3 million (Q1FY25: GP of Rs. 374.3 million). The Steel Division reported Profit Before Tax (PBT) of Rs. 141.9 million (Q1FY24 PBT: Rs. 180.5 million). IID Division reported a PBT of Rs. 9.0 million (Q1FY24 PBT: Rs. 308.4 million). Q1FY24 PBT mainly included dividend income of Rs. 285.1 million from Altern Energy Limited.

Cotton Division, Hadeed (Billet) Division and CS Energy Division were not operational during the quarter as it was not viable to operate the Plants. Cotton Division reported LBT of Rs. 17.6 million whereas Hadeed (Billet) Division and CS Energy Division posted a combined LBT of Rs. 35.6 million primarily on account of fixed costs incurred during the period including non-cash (depreciation & amortization expense) of Rs. 27.7 million.

The Company's PBT for Q1FY25 was Rs. 84.8 million as compared to PBT of Rs. 413.6 million in Q1FY24 and budget of Rs. 115.9 million. Levies – final tax during the period was Rs. 1.0 million as compared to Rs. 0.9 million in Q1FY24. Income tax charge during Q1FY25 amounted to Rs. 10.2 million (current tax charge of Rs. 14.3 million while deferred tax reversal amounted to Rs. 4.1 million).

The Company's after-tax profit amounted to Rs. 73.6 million as compared to an after-tax profit of Rs. 325.1 million in Q1FY24. Earnings per Share (EPS) for Q1FY25 was Rs. 0.95 per share as compared to EPS of Rs. 4.19 in Q1FY24.

Summary of operating results as per unconsolidated condensed interim financial statements of the company

- Sales revenue decreased 14.9% to Rs. 1,145.8 million as compared to Rs. 1,346.8 million in Q1FY24.
- Income from Investments amounted to Rs. 14.8 million as compared to Rs. 317.1 million in Q1FY24.
- Gross profit of Rs. 226.0 million as compared to Rs. 326.7 million in Q1FY24.
- Profit before interest and tax (PBIT) for Q1FY25 was Rs. 147.3 million as compared to Rs. 543.5 million in Q1FY24.
- Profit before interest, tax, depreciation, and amortization (EBITDA) was Rs. 219.0 million as compared to Rs. 602.4 million in Q1FY24.
- EPS for Q1FY25 was Rs. 0.95, as compared to EPS of Rs. 4.19 for Q1FY24.
- Return on average capital employed (annualized) was 3.3 percent for Q1FY25 as compared to 15.3 percent in the corresponding period last year.

BUSINESS SEGMENTS

Steel Segment

Steel Division revenue for Q1FY25 amounted to Rs. 1,145.8 million (Q1FY24: Rs. 1,346.8 million). Gross profit for Q1FY25 was recorded at Rs. 272.3 million i.e. 23.8% (Q1FY24: Gross Profit of Rs. 374.3 million i.e. 27.8%). PBT for Q1FY25 stood at Rs. 128.9 million (Q1FY24: PBT of Rs. 182.0 million).

We supplied Bare Steel Line Pipes in various diameters to the oil and gas sector for a total value of Rs. 402 million. In the same period, we supplied 17 km of coated steel line pipes, for a total value of Rs. 699 million, to the K-IV Greater Karachi Bulk Water Supply Project. The deemed revenue in the quarter, as such, was Rs. 3,670.8 million. Planned production for September 2024 had to be moved up to the next month, on account of delays in receipt of critical raw materials.

IID Segment

Market Review

The market sustained positive momentum during Q1FY25 driven by several key factors. Major among these was the IMF board's approval and subsequent disbursement of the first tranche to the State Bank of Pakistan (SBP) at the end of the quarter, which bolstered investor confidence and enhanced economic stability. Additionally, inflation saw a substantial decline, entering single-digit territory for the first time since October 2021, with a rate of 6.90% recorded in September 2024. This easing of inflation was further complemented by a 300 bps cut in the policy rate, reducing it to 17.5%. The lower rate helped stimulate economic activity and attracted increased investment in the equity market.

The KSE-100 index showed a positive trajectory in Q1FY25, gaining 3.40% and closing at 81,114.20 points on September 30, 2024, up from 78,444.96 points at the start of the quarter. In USD terms, the index posted gains of 3.77%, reflecting the dual impact of market performance and a 0.37% appreciation in the rupees. Throughout the quarter, the index exhibited notable volatility, reaching a high of 82,905.73 points and a low of 76,943.24 points. Despite these fluctuations, the market maintained an overall positive trend, showing improving investor sentiment and confidence in the economic outlook.

The all-share market capitalization rose by 2.3% during Q1FY25, reaching Rs. 10.61 trillion as of September 30, 2024, compared to Rs. 10.37 trillion at the start of the fiscal year on July 1, 2024. In USD terms, the all-share market capitalization increased by 2.5%, rising from

USD 37.27 billion to USD 38.24 billion over the three-month period. The average daily value traded for 1QFY25 stood at Rs. 18.04 billion as against Rs. 9.62 billion during the SPLY, representing an increase of 87.52%.

Segment Performance

The portfolio's accumulated PBT for Q1FY25 stood at Rs. 14.80 million, and PBT of Rs. 313.31 million in the corresponding period last year. PBT includes unrealized loss from HFT portfolio i.e. Rs. 7.46 million, and unrealized gains from mutual funds (temporarily invested by treasury) i.e. Rs. 12.9 million and realized gains of Rs. 0.06 million. Dividend income for the period was Rs. 8.91 million.

During Q1FY25, the division's HFT investments recorded a positive ROI of 0.24% on weighted average investments of Rs. 367.22 million and including Mutual Funds investment ROI stands at 2.82% whereas the benchmark KSE-100 index increased by 3.4%. Dividend yield for Q1FY25 from the HFT portfolio stands was 2.12% against the KSE Dividend Yield of 8.47%. We are expecting a dividend yield of 12% at the end of FY25.

UNCONSOLIDATED BALANCE SHEET

Balance sheet footing stood at Rs. 10,469.3 million as of September 30, 2024, compared to Rs 10,498.2 million on June 30, 2024. Break-up value per share increased to Rs. 100.3 from Rs. 99.4 as at June 30, 2024.

The current ratio increased to 2.11, as compared to 2.03 as at June 30, 2024. Gearing ratio (including short-term borrowings) decreased to 13.4% as compared to 14.5% as at June 30, 2024. Interest cover for Q1FY25 was 2.4 times (Q1FY24: 4.2 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. 148.5 million (Q1FY24: Rs. 294.6 million). Consolidated profit after tax for the Group for

Q1FY25 was Rs. 331.9 million as compared to profit after tax of Rs. 279.4 million in Q1FY24. Net share of profit from equity-accounted associates amounted to Rs. 315.4 million (Q1FY24: Rs. 199.0 million).

Consolidated EPS of the Group for Q1FY25 was Rs. 4.28 per share as compared to Rs. 3.60 per share respectively in the corresponding period last year.

CONSOLIDATED BALANCE SHEET

On a Group basis, the consolidated balance sheet footing stood at Rs. 12,748.0 million, compared to Rs. 11,672.3 million as at June 30, 2024. Total shareholders' funds increased to Rs. 9,013.9 million from Rs. 8,691.1 million as at June 30, 2024.

EVENTS AFTER THE REPORTING PERIOD

As disclosed in note 27.1 to condensed interim unconsolidated financial statements that subsequent to the reporting period, the Board of Directors has approved the disposal of plant and machinery and pre-engineered building of Crescent Hadeed (Billet) Division, which was non-operational for the past couple of years.

As disclosed in note 27.2 to condensed interim unconsolidated financial statements that subsequent to the reporting period, Altern Energy Limited (AEL) has informed the Company that Rousch (Pakistan) Power Limited (RPPL) has received a proposal from the Task Force for early Termination of its Power Purchase Agreement (PPA) entered into with Central Power Purchasing Agency (Guarantee) Limited ("CPPA"), Implementation Agreement entered into with the President of Islamic Republic of Pakistan on behalf of the Government of Pakistan ("IA"), and the Guarantee issued by the Government of Pakistan, before the end of their term in 2032.

RPPL is a subsidiary of AEL and the Company holds 16.69% shares of AEL.

FUTURE OUTLOOK

The domestic operating environment has improved with increased political and economic stability and a greater ease of doing business; however, we expect that development expenditure in the current fiscal shall remain subdued, and this will directly impact our prospects in the oil and gas transmission pipeline sector. Recently, global commodity markets have been volatile, and the ongoing conflict in the Middle East, coupled with stimulus measures announced by the Government of China is expected to add to the volatility. The engineering sector is especially vulnerable to such challenges as critical raw materials, consumables and spares are all imported and the sector is deeply linked with infrastructure developments which require fiscal space.

By Q3FY25, we shall conclude balance quantities against our in-process orders from the oil and gas sector, with a balance order value of Rs. 3,178 million. We shall continue manufacturing our order in hand for the K-IV Project and shall conclude dispatches against the order by the end of Q4FY25. The balance order to be executed in this period is 47 KM of 84 inches diameter and 40 KM of 68 inches diameter coated steel line pipes, with a total revenue impact of Rs. 3,493 million.

There is continuing line pipe demand in the oil, gas and water segments; bidding and awards against these projects are expected in due course and, if we are successful in our bids, these may be executed in Q4FY25 and through to the end of FY26.

I would like to thank all stakeholders for their patronage and look for their continued support.

For and behalf of the Board of Directors.



Ahsan M. Saleem
Chief Executive Officer



Nadeem Maqbool
Director

October 28, 2024

MINIMALISM

1960.....

Term used in the 20th century, in particular from the 1960s, to describe a style characterized by an impersonal austerity, plain geometric configurations and industrially processed materials. It was first used by David Burlyuk in the catalogue introduction for an exhibition of John Graham's paintings at the Dudensing Gallery in New York in 1929. Burlyuk wrote: 'Minimalism derives its name from the minimum of operating means. Minimalist painting is purely realistic—the subject being the painting itself.' The term gained currency in the 1960s. Accounts and explanations of Minimalism varied considerably, as did the range of work to which it was related. This included the monochrome paintings of Yves Klein, Robert Rauschenberg, Ad Reinhardt, Frank Stell and Brice Marden, and even aspects of Pop art and Post-painterly Abstraction. Typically the precedents cited were Marcel Duchamp's ready-mades, the Suprematist compositions of Kazimir Malevich and Barnett Newman's Abstract Expressionist paintings. The rational grid paintings of Agnes Martin were also mentioned in connection with such Minimalist artists as Sol Lewitt.

Eva Hesse

Title: Accession II

Medium: Galvanized steel and vinyl



A large industrial steel mill with sparks flying from a rotating metal surface. The scene is dark, with bright orange and yellow sparks scattered throughout the air. A large, curved metal surface is visible, likely a part of a rolling mill. In the upper left, there are mechanical components and a bright light source. The overall atmosphere is one of intense industrial activity.

CRESCENT STEEL AND ALLIED PRODUCTS LIMITED

Unconsolidated Financial Statements

FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Financial Position (Unaudited)
As at September 30, 2024

Note	Unaudited September 30, 2024	Audited June 30, 2024		
----- (Rupees in '000) -----				
ASSETS				
Non-current assets				
	Property, plant and equipment	5	2,162,253	2,194,965
	Right-of-use assets		217,005	228,869
	Investment properties		53,405	53,730
	Long term investments	6	2,808,742	2,809,511
	Long term deposits		71,995	71,369
	Deferred taxation		395,969	391,768
			5,709,369	5,750,212
Current assets				
	Stores, spares and loose tools		337,075	404,968
	Stock-in-trade	7	1,203,958	1,447,594
	Trade debts	8	1,263,368	1,472,246
	Loans and advances	9	524,822	195,507
	Trade deposits and short term prepayments		19,013	15,720
	Short term Investments	10	725,982	667,732
	Other receivables	11	147,299	85,147
	Taxation - net		237,993	155,824
	Cash and bank balances		300,441	303,201
			4,759,951	4,747,939
	Total assets		10,469,320	10,498,151
EQUITY AND LIABILITIES				
Share capital and reserves				
	Authorized capital		1,000,000	1,000,000
	100,000,000 ordinary shares of Rs. 10 each			
	Issued, subscribed and paid-up capital		776,325	776,325
	Capital reserves		1,020,908	1,020,908
	Revenue reserves		5,991,696	5,918,816
			7,788,929	7,716,049
Non-current liabilities				
	Long-term loans	12	156,934	157,163
	Lease liabilities		198,368	212,702
	Deferred income		3,165	3,300
	Deferred liability - staff retirement benefits		67,937	67,937
			426,404	441,102
Current liabilities				
	Trade and other payables	13	1,323,789	1,312,672
	Unclaimed dividend		26,245	26,188
	Mark-up accrued		51,236	59,522
	Short term borrowings	14	539,127	629,493
	Current portion of long-term loans	12	270,322	270,303
	Current portion of lease liabilities		42,731	42,285
	Current portion of deferred income		537	537
			2,253,987	2,341,000
	Contingencies and commitments	15	2,680,391	2,782,102
	Total equity and liabilities		10,469,320	10,498,151

The annexed notes from 1 to 28 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 first quarter ended September 30, 2024

	Note	First quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Sales	16	1,350,880	1,589,241
Less: sales tax		205,058	242,427
		<u>1,145,822</u>	<u>1,346,814</u>
Cost of sales		919,809	1,020,085
Gross profit		<u>226,013</u>	<u>326,729</u>
Income from investments - net	17	14,804	317,069
		<u>240,817</u>	<u>643,798</u>
Distribution and selling expenses		7,778	18,018
Administrative expenses		92,522	80,445
Other operating expenses	18	9,796	20,697
		<u>110,096</u>	<u>119,160</u>
		<u>130,721</u>	<u>524,638</u>
Other income		16,576	18,829
Operating profit before finance costs		<u>147,297</u>	<u>543,467</u>
Finance costs	19	62,538	129,908
Profit before levies and taxation		<u>84,759</u>	<u>413,559</u>
Levies - final tax		(990)	(22,292)
Profit before taxation		<u>83,769</u>	<u>391,267</u>
Taxation			
- current for the period		(14,323)	(39,670)
- deferred		4,107	(26,513)
		<u>(10,216)</u>	<u>(66,183)</u>
Profit for the period		<u>73,553</u>	<u>325,084</u>
Other Comprehensive loss			
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)		(673)	(84)
Total comprehensive income for the period		<u>72,880</u>	<u>325,000</u>
----- (Rupees) -----			
Basic and diluted earnings per share	20	<u>0.95</u>	<u>4.19</u>

The annexed notes from 1 to 28 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 Changes in Equity (Unaudited)

For the first quarter ended September 30, 2024

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves			Total revenue reserves	Total
		Share premium	Fair value reserve	General reserve	Unappropriated profit		
------(Rupees in '000)-----							
Balance as at July 1, 2023	776,325	1,020,908	1,609	3,642,000	678,590	4,322,199	6,119,432
Total comprehensive income for the period							
Profit after taxation for the period	-	-	-	-	325,084	325,084	325,084
Other comprehensive loss for the period	-	-	(84)	-	-	(84)	(84)
Total comprehensive income for the period	-	-	(84)	-	325,084	325,000	325,000
Balance as at September 30, 2023	776,325	1,020,908	1,525	3,642,000	1,003,674	4,647,199	6,444,432
Balance as at July 1, 2024	776,325	1,020,908	1,837	3,642,000	2,274,979	5,918,816	7,716,049
Total comprehensive income for the period							
Profit after taxation for the period	-	-	-	-	73,553	73,553	73,553
Other comprehensive loss for the period	-	-	(673)	-	-	(673)	(673)
Total comprehensive income for the period	-	-	(673)	-	73,553	72,880	72,880
Balance as at September 30, 2024	776,325	1,020,908	1,164	3,642,000	2,348,532	5,991,696	7,788,929

The annexed notes from 1 to 28 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 first quarter ended September 30, 2024

	Note	First quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Cash flows from operating activities			
Cash generated from / (used in) operations	21	345,793	(628,538)
Taxes refund (paid) / received		(97,479)	103,550
Finance costs paid		(57,708)	(79,592)
Contribution to gratuity and pension funds		(9,300)	(8,037)
Net cash generated from / (used in) operating activities		181,306	(612,617)
Cash flows from investing activities			
Capital expenditure		(26,793)	(13,142)
Proceeds from disposal of operating fixed assets		-	1,238
Investments - net		(203,266)	251,534
Dividend income received		5,713	292,527
Interest income received		7,803	3,051
Net cash (used in) / generated from investing activities		(216,543)	535,208
Cash flows from financing activities			
Repayments of long term loans - net		(210)	(165)
Payments against finance lease obligations		(27,004)	(8,138)
Proceeds from short term loans obtained - net		(126,905)	331,982
Dividends paid		57	-
Net cash (used in) / generated from financing activities		(154,062)	323,679
Net increase in cash and cash equivalents		(189,299)	246,270
Cash and cash equivalents at beginning of the period		402,979	(433,388)
Cash and cash equivalents at end of the period	22	213,680	(187,118)

The annexed notes from 1 to 28 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 Unconsolidated Financial Statements (Unaudited)

For the first quarter ended September 30, 2024

1. THE COMPANY AND ITS OPERATIONS

Crescent Steel and Allied Products Limited ("the Company") was incorporated on August 1, 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 23 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 June 30, 2024. 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 These condensed interim unconsolidated financial statements are presented in Pakistani Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

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 June 30, 2024.

3.2 NEW STANDARDS, AMENDMENTS AND INTERPRETATION TO ACCOUNTING AND REPORTING STANDARDS

3.2.1 Amendments and an interpretation to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became applicable for the Company during the period. However, the amendments are not considered relevant or did 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.

3.2.2 Standards and amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Company:

There are certain new standards and amendments that will be applicable to the Company for its annual periods beginning on or after January 1, 2025. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Company's financial reporting framework upon adoption by the SECP. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

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 the 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 June 30, 2024.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Unaudited September 30, 2024 ----- (Rupees in '000) -----	Audited June 30, 2024
Operating fixed assets	5.1	2,017,673	2,064,089
Capital work-in-progress	5.2	144,580	130,876
		<u>2,162,253</u>	<u>2,194,965</u>

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

	Unaudited First quarter ended September 30, 2024		Unaudited First quarter ended September 30, 2023	
	Additions / Transfers	Disposals / Transfers	Additions / Transfers	Disposals
----- (Rupees in '000) -----				
Plant and machinery	-	-	224,000	-
Electrical / office equipments and installation	160	310	-	-
Computers	759	-	-	877
Motor vehicles	6,116	-	5,900	2,775
	<u>7,035</u>	<u>310</u>	<u>229,900</u>	<u>3,652</u>

5.2 Net additions to capital work-in-progress during the three months period ended September 30, 2024 amounted to Rs. 13.704 million (September 30, 2023: Rs. -216.111 million).

6. LONG TERM INVESTMENTS

	Note	Unaudited September 30, 2024	Audited June 30, 2024
----- (Rupees in '000) -----			
Subsidiary companies - at cost	6.1	905,001	905,001
Associated companies - at cost	6.2	1,286,401	1,286,401
Other long term investments	6.3	617,340	618,109
		<u>2,808,742</u>	<u>2,809,511</u>

6.1 Subsidiary companies - at cost

Unaudited September 30, 2024	Audited June 30, 2024	Unquoted	Note	Unaudited September 30, 2024	Audited 30 June 2024
(Number of shares)				----- (Rupees in '000) -----	
70,500,000	70,500,000	CS Capital (Private) Limited (Chief Executive Officer - Ms. Hajerah Ahsan Saleem)	6.1.1	705,000	705,000
2		2 Crescent Continental Gas Pipelines Limited (US \$ 1 each)	6.1.2	-	-
20,000,100	20,000,100	Solution de Energy (Private) Limited (Chief Executive Officer - Mr. Muhammad Saad Thaniana)	6.1.3	200,001	200,001
				<u>905,001</u>	<u>905,001</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 September 26, 2011.

- 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 (June 30, 2024: 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. 397.135 million and Rs. 213.419 million (June 30, 2024: Rs. 397.135 million and Rs. 213.419 million), respectively.

7. STOCK-IN-TRADE

	Unaudited September 30, 2024	Audited 30 June 2024
	----- (Rupees in '000) -----	
Raw materials		
Hot rolled steel coils (HR Coils)	212,000	441,151
Coating materials	469,949	480,129
Steel scrap	11,999	11,999
Others	282,577	331,071
Stock-in-transit	471	-
	<u>976,996</u>	<u>1,264,350</u>
Work-in-process	<u>82,051</u>	<u>60,546</u>
Finished goods - net	<u>124,011</u>	<u>99,278</u>
Scrap / cotton waste	<u>20,900</u>	<u>23,420</u>
	<u>226,962</u>	<u>183,244</u>
	<u><u>1,203,958</u></u>	<u><u>1,447,594</u></u>

- 7.1** Stock in trade as at September 30, 2024 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 (June 30, 2024: charge of Rs. 11.293 million) has been recognized in cost of sales.

8. TRADE DEBTS

		Unaudited September 30, 2024	Audited 30 June 2024
	Note	----- (Rupees in '000) -----	
Secured			
Considered good		131	437,386
Unsecured			
Considered good	8.1	<u>1,263,237</u>	<u>1,034,860</u>
Considered doubtful		<u>23,774</u>	<u>23,774</u>
		<u>1,287,011</u>	<u>1,058,634</u>
Impairment loss on trade debts		<u>(23,774)</u>	<u>(23,774)</u>
		<u><u>1,263,368</u></u>	<u><u>1,472,246</u></u>

- 8.1** This includes balances due from following related parties:

Pak Elecktron Limited	34,983	45,546
-----------------------	--------	--------

9. LOANS AND ADVANCES

Loan to related parties - considered good

Loan to subsidiaries	9.1	1,559	-
----------------------	-----	-------	---

Advances - considered good

Staff	112	3
Suppliers for goods and services	516,833	193,725
Advances to others	3,461	1,779

Advances - considered doubtful

Suppliers for goods and services	<u>47</u>	<u>47</u>
Provision for doubtful advances	<u>(47)</u>	<u>(47)</u>
	<u><u>521,965</u></u>	<u><u>195,507</u></u>

		Unaudited September 30, 2024	Audited June 30, 2024
9.1	These include loan due from:	----- (Rupees in '000) -----	
	Solution de Energy (Private) Limited	9.1.1 <u><u>1,559</u></u>	<u><u>-</u></u>
9.1.1	The Company has provided short term interest bearing 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. The interest is charged at average borrowing cost of the company.		
10.	SHORT TERM INVESTMENTS		
		Unaudited September 30, 2024	Audited June 30, 2024
		----- (Rupees in '000) -----	
	At amortised cost	10.1 <u><u>22,000</u></u>	244,360
	At fair value through profit or loss (FVTPL)	10.2 <u><u>703,982</u></u>	423,372
		<u><u>725,982</u></u>	<u><u>667,732</u></u>
10.1	This represents investments in fixed deposit receipts carrying markup of 15.5% to 18% maturing upto August 20, 2025.		
10.2	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 (June 30, 2024: Rs. Nil per share).		
10.3	Investments having an aggregate market value of Rs. 484.825 million (June 30, 2024: Rs. 1,734.330 million) have been pledged with financial institutions as security against financing facilities (refer note 14.5) out of which amount of Rs. 355.400 million (June 30, 2024: Rs. 1,427.397 million) relates to long term investments.		
11.	OTHER RECEIVABLES		
		Unaudited September 30, 2024	Audited June 30, 2024
		----- (Rupees in '000) -----	
	Dividend receivable	5,328	2,132
	Provision there against	<u><u>(886)</u></u>	(886)
		4,442	1,246
	Claim receivable	461	461
	Due from related parties	11.1 <u><u>8,648</u></u>	8,757
	Sales tax refundable	77,148	20,867
	Margin on letter of guarantee	25,490	21,464
	Receivable from staff retirement benefits funds	29,638	29,640
	Others	1,472	2,712
		<u><u>147,299</u></u>	<u><u>85,147</u></u>
11.1	Due from related parties		
	CS Capital (Private) Limited	4,889	4,298
	Solution de Energy (Private) Limited	-	-
	The Crescent Textile Mills Limited	379	552
	Premier Insurance Limited	21	-
	Shakarganj Food Products Limited	3,359	3,907
		<u><u>8,648</u></u>	<u><u>8,757</u></u>

	Note	Unaudited September 30, 2024	Audited June 30, 2024
----- (Rupees in '000) -----			
12. LONG TERM LOANS			
Secured - Under shariah arrangement			
Long Term Sukuk Certificates	12.1	400,000	400,000
Less: Transaction cost		<u>(1,916)</u>	<u>(2,381)</u>
		398,084	397,619
Secured - Under non-shariah arrangement			
JS Bank Limited	12.2	<u>29,172</u>	<u>29,847</u>
		29,172	427,466
Less: Current portion shown under current liabilities		<u>270,322</u>	<u>270,303</u>
		156,934	157,163

12.1 During the year ended June 30, 2023, the Company issued 8,000 unlisted, privately placed and secured Sukuk certificates (SUKUK-AI-Istisna) on October 11, 2022, having face value of Rs. 100,000 each, amounting to Rs. 800 million. Aggregate amount of Rs. 800 million in connection with issuance of Sukuk-al-istisna was received on October 11, 2022. The Sukuk certificates carry profit at the rate of 6-months KIBOR + 2% per annum with semi-annual rental payments having tenure of three years from the issue date on arrear basis. Principal repayment installment had commenced from April 2023. During the period, the Company has made repayments of Rs. Nil million and profit on such arrangement was 23.73% (June 30, 2024: 24.08% to 24.76%) per annum.

12.1.1 This represent the cost incurred with respect to the issuance of Sukuk certificates, amortized using effective interest rate.

12.2 During the year ended June 30, 2021, the Company entered into a loan arrangement with JS Bank Limited in which 5 tranches were received. The tranches were converted into the State Bank of Pakistan's (SBP) "SBP Financing scheme for Renewable Energy". The term of the loan is 10 years from the date of disbursement with a grace period of 3 months, repayable in monthly installments starting from June 2021. Mark-up was payable quarterly at the rate of 1 month KIBOR plus 1% per annum up till approval of refinance from the SBP and after approval from the SBP, mark-up is payable at the concessional rate of 6% per annum.

The effective interest on such arrangement was 8.49% (June 30, 2024: 8.49%) per annum.

13. TRADE AND OTHER PAYABLES	Note	Unaudited September 30, 2024	Audited June 30, 2024
----- (Rupees in '000) -----			
Trade creditors		98,366	43,777
Bills payable		38	38
Commission payable		385	385
Customer's security deposits		73	-
Accrued liabilities		391,673	685,538
Advances from customers		239,791	11,354
Infrastructure fee, sales tax and damages		327,451	323,752
Due to related parties	13.1	26,048	26,234
Payable to provident fund		2,913	47
Payable to staff retirement benefit funds		3,271	102
Retention money		509	110
Withholding tax payable		4,541	3,268
Workers' Profit Participation Fund		102,405	94,975
Workers' Welfare Fund		43,677	41,562
Others		82,648	81,530
		<u>1,323,789</u>	<u>1,312,672</u>
13.1 Due to related parties			
Premier Insurance Company Limited		-	1,445
Shakarganj Limited		26,048	24,789
		<u>26,048</u>	<u>26,234</u>
14. SHORT TERM BORROWINGS			
Secured from banking companies			
Running finances under mark-up arrangements	14.1	86,761	50,222
Short term loans	14.2 & 14.4	452,366	579,271
		<u>539,127</u>	<u>629,493</u>
14.1			
Running finances facility / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 950 million (June 30, 2024: Rs. 950 million) out of which Rs. 400 million (June 30, 2024: Rs. 400 million), Rs. 100 million (June 30, 2024: Rs. 100 million) and Rs. 400 million (June 30, 2024: Rs. 400 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 19.74% to 23.73% (September 30, 2023: 22.42% to 24.91%) per annum.			

- 14.2** Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 4,500 million (June 30, 2024: Rs. 4,500 million) out of which Rs. 4,000 million (June 30, 2024: Rs. 4,000 million), Rs. 205 million (June 30, 2024: Rs. 205 million) and Rs. 400 million (June 30, 2024: Rs. 400 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 17.18% to 23.46% (September 30, 2023: 22.65% to 25.23%) per annum.
- 14.3** The facilities for opening letters of credit amounted to Rs. 4,650 million (June 30, 2024: Rs. 4,650 million) out of which Rs. 400 million (June 30, 2024: Rs. 400 million), Rs. 4,000 million (June 30, 2024: Rs. 4,000 million) and Rs. 205 million (June 30, 2024: Rs. 205 million) are interchangeable with short term running finance, short term loans and letters of guarantee respectively as mentioned in notes 14.1 and 14.2 above. The facility for letters of guarantee as at September 30, 2024 amounted to Rs. 2,102.34 million (June 30, 2024: Rs. 2,681.28 million). Amounts unutilized for letters of credit and guarantees as at September 30, 2024 were Rs. 2,455.84 million and Rs. 759.86 million (June 30, 2024: Rs. 3,489.60 million and Rs. 995.03 million), respectively.
- 14.4** These includes an amount of Rs. 100 million funded facilities (June 30, 2024: Rs. 579.28 million outstanding against Islamic mode of financing. The Company is currently availing Islamic mode of financing from the Al Baraka Bank and Dubai Islamic Bank. Funded and Non funded facilities availed include letters of credit, bank guarantees, Wakala, Morabaha, Istisna and Ijarah financing.
- 14.5** The above facilities are expiring on various dates with maturity periods upto March 31, 2025. These facilities 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 11.2) pledge of cotton and lien over import / export document. Further, these facilities (refer notes 15.1 to 15.3) are also secured against pledged of shares owned by the Subsidiary Company i.e. CS Capital (Private) Limited.

15. CONTINGENCIES AND COMMITMENTS

15.1 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 June 30, 2024.

15.2 Commitments

- 15.2.1** Aggregate amount of guarantees issued by banks on behalf of the Company against various contracts aggregated to Rs.1,342.48 million (June 30, 2024: Rs. 1,687.20 million). These include guarantees issued by Islamic banks amounting to Rs. 51.90 million (June 30, 2024: Rs. 204.35 million).
- 15.2.2** Commitments in respect of capital expenditure contracted for as at September 30, 2024 amounted to Rs. 70.399 million (June 30, 2024: Rs. 46.084 million).
- 15.2.3** Commitments under letters of credit (L/C) as at September 30, 2024 amounted to Rs. 1,646.41 million (June 30, 2024: 434.97 million).

16. SALES

		Unaudited	
		First quarter ended	
		September 30,	September 30,
		2024	2023
Note		----- (Rupees in '000) -----	
Local sales			
Bare pipes		481,986	-
Coated Pipes	16.1	834,924	1,529,454
Others		27,362	44,382
Scrap / waste		6,608	15,405
		1,350,880	1,589,241
Sales tax		(205,058)	(242,427)
		1,145,822	1,346,814

16.1 This includes revenue amounting to Rs. 707.563 million, where Hot Rolled Coil (HRC) was supplied by client.

16.2 Revenue is disaggregated by major products and also by geographical market. Additionally, revenue by major customers is disclosed in note 23.4 to these condensed interim unconsolidated financial statements.

17. INCOME FROM INVESTMENTS - NET

		Unaudited	
		First quarter ended	
		September 30,	September 30,
		2024	2023
Note		----- (Rupees in '000) -----	
Dividend income	17.1	8,909	293,212
Gain on sale of FVTPL investments - net	17.2	62	-
Unrealized gain / (loss) on FVTPL investments - net	17.3	4,922	22,742
Rent from investment properties	17.5	911	1,115
		14,804	317,069

17.1 This includes Rs. 7.276 million earned on investments in Shariah Compliant Investee Companies.

17.2 This represents gain on investments in Shariah Compliant Investee Companies.

17.3 This includes loss of Rs. 7.293 million on investments in Shariah Compliant Investee Companies.

17.4 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.

17.5 Direct operating expenses incurred against rental income from investment properties amounted to Rs. 0.338 million (September 30, 2023: Rs. 0.325 million).

18. OTHER OPERATING EXPENSES

	Unaudited	
	First quarter ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
Exchange loss	98	2,928
Provision for:		
-Workers' Profit Participation Fund	7,430	-
-Workers' Welfare Fund	2,116	-
Others	152	-
	<u>9,796</u>	<u>2,928</u>

19. FINANCE COSTS

Profit on short term loans - Shariah arrangement	10,949	11,853
Interest on - Non - Shariah arrangement		
- finance lease obligations	12,875	2,779
- long term loans	25,233	41,911
- running finances / short term loans	8,795	72,622
Bank charges	4,686	743
	<u>62,538</u>	<u>129,908</u>

20. BASIC AND DILUTED EARNINGS PER SHARE

Profit for the period	<u>73,553</u>	<u>325,084</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>
	----- (Rupees) -----	
Basic and diluted earnings per share	<u>0.95</u>	<u>4.19</u>

21. CASH GENERATED FROM / (USED IN) OPERATIONS

	Note	Unaudited	
		First quarter ended	
		September 30, 2024	September 30, 2023
		----- (Rupees in '000) -----	
Profit before final tax and income tax		84,759	413,559
Adjustments for non cash charges and other items			
Depreciation on operating fixed assets, right-of-use assets and investment properties		71,693	58,465
Amortization of intangible assets		-	492
Charge for the period on staff retirement benefit funds		9,302	8,037
Dividend income		(8,909)	(293,212)
Unrealized gain on FVTPL investments - net		(4,922)	(22,742)
Gain on sale of FVTPL investments - net		(62)	-
Provision for Workers' Welfare Fund		2,116	1,090
Provision for Workers' Profit Participation Fund		7,430	9,498
Return on deposits		(7,803)	(3,051)
Gain on disposal of operating fixed assets		-	(587)
Deferred income		(135)	(135)
Unwinding of discount on long term deposit		(627)	(519)
Liabilities written back		(1,854)	-
Finance costs		62,538	129,908
Working capital changes	21.1	<u>132,267</u>	<u>(929,341)</u>
		<u>345,793</u>	<u>(628,538)</u>
21.1 Working capital changes			
Decrease / (increase) in current assets			
Stores, spares and loose tools		67,893	(3,076)
Stock-in-trade		243,636	(472,326)
Trade debts		208,878	(862,002)
Loans and advances		(329,315)	17,589
Trade deposits and short term prepayments		(3,293)	(2,830)
Other receivables		<u>(58,958)</u>	113,537
		<u>128,841</u>	<u>(1,209,108)</u>
Increase in current liabilities			
Trade and other payables		<u>3,426</u>	279,767
		<u>132,267</u>	<u>(929,341)</u>
22. CASH AND CASH EQUIVALENTS			
Running finances under mark-up arrangements		(86,761)	(466,688)
Cash and bank balances		<u>300,441</u>	279,570
		<u>213,680</u>	<u>(187,118)</u>
23. SEGMENT REPORTING			
23.1 Reportable segments			
The Company's reportable segments are as follows:			
<ul style="list-style-type: none"> - 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:			

23.2 Segment revenues and results

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

**For the first quarter ended
September 30, 2024**

	Unaudited						Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments eliminations / adjustments	
	(Rupees in '000)						
Sales - net	1,145,822	-	-	-	-	-	1,145,822
Cost of sales	873,514	16,624	15,215	14,456	-	-	919,809
Gross profit / (loss)	272,308	(16,624)	(15,215)	(14,456)	-	-	226,013
Income from investments - net	-	-	-	-	14,804	-	14,804
	272,308	(16,624)	(15,215)	(14,456)	14,804	-	240,817
Distribution and selling expenses	6,128	1,161	-	489	-	-	7,778
Administrative expenses	79,522	1,870	1,367	4,027	5,736	-	92,522
Other expenses	9,735	-	-	-	61	-	9,796
	95,385	3,031	1,367	4,516	5,797	-	110,096
	176,923	(19,655)	(16,582)	(18,972)	9,007	-	130,721
Other income	14,412	2,164	-	-	-	-	16,576
Operating profit / (loss) before finance costs	191,335	(17,491)	(16,582)	(18,972)	9,007	-	147,297
Finance costs	62,465	73	-	-	-	-	62,538
Profit / (loss) before levies and taxation	128,870	(17,564)	(16,582)	(18,972)	9,007	-	84,759
Levies - final tax							(990)
Profit before taxation							83,769
Taxation							10,216
Profit for the period							73,553

**For the first quarter ended
September 30, 2023**

	Unaudited						Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments eliminations / adjustments	
	(Rupees in '000)						
Sales - net	1,346,814	-	-	-	-	-	1,346,814
Cost of sales	972,468	18,186	15,275	14,156	-	-	1,020,085
Gross profit / (loss)	374,346	(18,186)	(15,275)	(14,156)	-	-	326,729
Income from investments - net	3,754	-	-	-	313,315	-	317,069
	378,100	(18,186)	(15,275)	(14,156)	313,315	-	643,798
Distribution and selling expenses	16,659	948	-	411	-	-	18,018
Administrative expenses	60,018	10,806	989	3,750	4,882	-	80,445
Other expenses	10,587	10,110	-	-	-	-	20,697
	87,264	21,864	989	4,161	4,882	-	119,160
	290,836	(40,050)	(16,264)	(18,317)	308,433	-	524,638
Other income	17,166	1,663	-	-	-	-	18,829
Operating profit / (loss) before finance costs	308,002	(38,387)	(16,264)	(18,317)	308,433	-	543,467
Finance costs	127,454	2,270	-	154	30	-	129,908
Profit / (loss) before levies and taxation	180,548	(40,657)	(16,264)	(18,471)	308,403	-	413,559
Levies - final tax							(22,292)
Profit before taxation							391,267
Taxation							66,183
Profit for the period							457,450

23.2.1 Revenue reported above represents revenue generated from external customers and inter-segment sales of electricity by Energy Segment to Hadeed (Billet) Segment of Rs. Nil million (September 30, 2023: Rs. Nil million) and Rs. Nil million (September 30, 2023: Rs. Nil) of scrap sales by Steel Segment to Hadeed (Billet) Segment.

23.2.2 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 June 30, 2024. 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.

23.3 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 16 to these unconsolidated financial statements.

23.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 1,132.680 million (September 30, 2023: Rs. 1,332.826 million) of total Steel segment revenue of Rs. 1,145.822 million (September 30, 2023: Rs. 1,346.814 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. Nil million (September 30, 2023: Rs. Nil) of total Cotton segment revenue of Rs. Nil million (September 30, 2023: Rs. Nil). Revenue from major customers of Energy segment represents an aggregate amount of Rs. Nil (September 30, 2023: Rs. Nil) of total Energy segment revenue of Rs. Nil million (September 30, 2023: Rs. Nil). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. Nil million (September 30, 2023: Rs. Nil) of total Hadeed (Billet) segment revenue of Rs. Nil million (September 30, 2023: Rs. Nil).

23.5 Geographical information

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

23.5.2 All non-current assets of the Company as at September 30, 2024 and June 30, 2024 were located and operating in Pakistan.

23.6 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 September 30, 2024 - (Unaudited)						
Segment assets for reportable segments	4,634,402	184,333	394,619	609,131	3,041,198	8,863,683
Unallocated corporate assets						1,605,637
Total assets as per unconsolidated statement of financial position						<u>10,469,320</u>
Segment liabilities for reportable segments	1,151,512	96,111	35,727	87,743	9,141	1,380,234
Unallocated corporate liabilities and deferred income						1,300,157
Total liabilities as per unconsolidated statement of financial position						<u>2,680,391</u>
As at June 30, 2024 - (Audited)						
Segment assets for reportable segments	4,747,273	182,806	408,865	621,933	3,163,672	9,124,549
Unallocated corporate assets						1,373,602
Total assets as per unconsolidated statement of financial position						<u>10,498,151</u>
Segment liabilities for reportable segments	1,265,608	97,287	35,727	86,102	4,335	1,489,059
Unallocated corporate liabilities and deferred income						1,293,043
Total liabilities as per unconsolidated statement of financial position						<u>2,782,102</u>

23.6.1 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.

23.7 Other segment information

	Unaudited					Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	
----- (Rupees in '000) -----						
For the first quarter ended September 30, 2024						
Capital expenditure	<u>25,011</u>	<u>1,744</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>26,793</u>
Depreciation and amortisation	<u>40,520</u>	<u>2,646</u>	<u>14,930</u>	<u>12,793</u>	<u>804</u>	<u>71,693</u>
Non-cash items other than depreciation and amortisation - net	<u>70,071</u>	<u>487</u>	<u>-</u>	<u>-</u>	<u>(13,484)</u>	<u>57,074</u>
For the first quarter ended September 30, 2023						
Capital expenditure	<u>13,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,142</u>
Depreciation and amortisation	<u>26,057</u>	<u>4,426</u>	<u>14,930</u>	<u>12,887</u>	<u>657</u>	<u>58,957</u>
Non-cash items other than depreciation and amortisation - net	<u>136,491</u>	<u>13,582</u>	<u>-</u>	<u>154</u>	<u>(311,830)</u>	<u>(161,603)</u>

24. 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	
			First quarter ended September 30, 2024	September 30, 2023
----- (Rupees in '000) -----				
CS Capital (Private) Limited	Subsidiary company	Reimbursable expenses	<u>591</u>	<u>480</u>
Solution de Energy (Private) Limited	Subsidiary company	Loan given	<u>1,559</u>	<u>-</u>
		Reimbursable expenses	<u>10</u>	<u>-</u>
Altern Energy Limited	Associated company	Dividend Income	<u>-</u>	<u>285,120</u>
		Dividend received	<u>-</u>	<u>285,120</u>
Shakarganj Limited	Associated company	Services rendered	<u>2,354</u>	<u>1,939</u>
		Reimbursable expenses	<u>10</u>	<u>394</u>
		Payment made	<u>307</u>	<u>-</u>
Shakarganj Food Products Limited	Related party	Reimburseable expenses	<u>1,242</u>	<u>1,282</u>
		Payments received	<u>1,500</u>	<u>1,000</u>
		Rent	<u>703</u>	<u>727</u>
		Services received	<u>993</u>	<u>-</u>
Crescent Socks (Private) Limited	Related party	Payment received	<u>-</u>	<u>300</u>
		Rent	<u>-</u>	<u>300</u>
The Crescent Textile Mills Limited	Associated company	Payment received	<u>2,364</u>	<u>1,456</u>
		Reimburseable expenses	<u>1,009</u>	<u>917</u>
		Rent	<u>1,182</u>	<u>591</u>
The Citizens' Foundation*	Related party	Donation given	<u>53</u>	<u>115</u>

Continued ... Note 25: TRANSACTIONS WITH RELATED PARTIES

Name of entity	Nature of relationship	Nature of transaction	First quarter ended	
			September 30, 2024	September 30, 2023
			----- (Rupees in '000) -----	
Pakistan Centre for Philanthropy	Related party	Annual membership fee	396	360
		Annual membership fee paid	<u>396</u>	<u>360</u>
Premier Insurance Limited*	Related party	Insurance premium	2,748	34
		Insurance premium paid	<u>4,214</u>	-
Pak Elektron Limited	Related party	Sales made	23,034	-
		Payments received	<u>33,596</u>	-
Meezan Bank Limited	Related party	Dividend income	1,150	-
		Dividend received	<u>1,150</u>	-
Pak-Qatar Asset Management Company Limited	Related party	Investment made	210,020	-
		Redemption of investment	<u>209,777</u>	-
		Dividend received	<u>593</u>	-
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	231	416
			<u>2,707</u>	<u>2,303</u>
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	2,707	2,303
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	6,053	4,760
			<u>3,649</u>	<u>3,170</u>
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	3,649	3,170
Crescent Hadeed (Private) Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	85	95
Key management personnel	Related parties	Remuneration and benefits	46,588	42,633
Chairman of the Board	Related party	Honorarium	600	450
Directors	Related parties	Meeting fee	615	790

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

24.1 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.

24.2 Contributions to the employee retirement benefit funds are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.

24.3 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.

25. 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 June 30, 2024.

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:

September 30, 2024 (Un-audited)

	Carrying amount				Total	Fair value			Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost		Level 1	Level 2	Level 3	
----- (Rupees in '000) -----									
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investments									
- listed equity securities	703,982	6,786	-	-	710,768	710,768	-	-	710,768
- unlisted equity securities	610,554	-	-	-	610,554	-	-	610,554	610,554
	1,314,536	6,786	-	-	1,321,322	710,768	-	610,554	1,321,322
Financial assets not measured at fair value									
Deposits	-	-	75,522	-	75,522	-	-	-	-
Term deposit receipt	-	-	22,000	-	22,000	-	-	-	-
Trade debts	-	-	1,263,368	-	1,263,368	-	-	-	-
Loan to subsidiary	-	-	1,559	-	1,559	-	-	-	-
Other receivables	-	-	40,513	-	40,513	-	-	-	-
Bank balances	-	-	300,441	-	300,441	-	-	-	-
	-	-	1,703,403	-	1,703,403	-	-	-	-
Financial liabilities not measured at fair value									
Long term loans	-	-	-	427,256	427,256	-	-	-	-
Lease liabilities	-	-	-	241,099	241,099	-	-	-	-
Trade and other payables	-	-	-	605,924	605,924	-	-	-	-
Mark-up accrued	-	-	-	51,236	51,236	-	-	-	-
Short term borrowings	-	-	-	539,127	539,127	-	-	-	-
Unclaimed dividend	-	-	-	26,245	26,245	-	-	-	-
	-	-	-	1,890,887	1,890,887	-	-	-	-

June 30, 2024 (Audited)

	Carrying amount				Total	Fair value			Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost		Level 1	Level 2	Level 3	
----- (Rupees in '000) -----									
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investments									
- listed equity securities	423,372	7,555	-	-	430,927	430,927	-	-	430,927
- unlisted equity securities	610,554	-	-	-	610,554	-	-	610,554	610,554
	1,033,926	7,555	-	-	1,041,481	430,927	-	610,554	1,041,481
Financial assets not measured at fair value									
Deposits	-	-	75,323	-	75,323	-	-	-	-
Term deposit receipt	-	-	244,360	-	244,360	-	-	-	-
Trade debts	-	-	1,472,246	-	1,472,246	-	-	-	-
Other receivables	-	-	34,640	-	34,640	-	-	-	-
Bank balances	-	-	303,201	-	303,201	-	-	-	-
	-	-	2,129,770	-	2,129,770	-	-	-	-
Financial liabilities not measured at fair value									
Long term loans	-	-	-	427,466	427,466	-	-	-	-
Lease liabilities	-	-	-	254,987	254,987	-	-	-	-
Trade and other payables	-	-	-	837,761	837,761	-	-	-	-
Mark-up accrued	-	-	-	59,522	59,522	-	-	-	-
Short term borrowings	-	-	-	629,493	629,493	-	-	-	-
Unclaimed dividend	-	-	-	26,188	26,188	-	-	-	-
	-	-	-	2,235,417	2,235,417	-	-	-	-

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.

25.1 Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring level 3 fair values as at September 30, 2024 for unquoted equity investments were same as at June 30, 2024. There was no change in significant unobservable inputs from June 30, 2024; therefore, carried at the same values.

26. OTHER INFORMATION

The Board of Directors in its meeting held on August 7, 2024 has recommended a final cash dividend of Rs. 3.5 per share for the year ended June 30, 2024. These Un-audited Condensed Interim unconsolidated financial statements do not reflect the effect of final cash dividend payable as recommended by the Board of Directors.

27. SUBSEQUENT EVENTS

27.1 Subsequent to the reporting period, the Board of Directors has approved the disposal of plant and machinery and pre-engineered building of Crescent Hadeed (Billet) Division, which was non-operational for the past couple of years. Consequently, going forward the operations of Crescent Hadeed (Billet) Division will be classified as "discontinued operations" and remaining fixed assets as "assets held for sale" except for free hold land which will be classified as "investment property".

27.2 The Company and its subsidiary company – CS Capital (Private) Limited collectively hold 17.6% of shares in Altern Energy Limited (AEL).

AEL, through its subsidiary Power Management Company (Private) Limited, owns 59.98% of Rousch (Pakistan) Power Limited ("RPPL"), a power generation company established under the 1994 Power Policy.

Subsequent to the reporting period, AEL has informed the Company that on the request of the Government, RPPL has been engaged with the Task Force for Power Sector Reforms formed by the Government of Pakistan ("the Task Force"). RPPL has received a proposal from the Task Force for early Termination of its Power Purchase Agreement (PPA) entered into with Central Power Purchasing Agency (Guarantee) Limited ("CPPA"), Implementation Agreement entered into with the President of Islamic Republic of Pakistan on behalf of the Government of Pakistan ("IA"), and the Guarantee issued by the Government of Pakistan, (these agreement together referred herein as ("the Agreements")), before the end of their term in 2032. Under the terms being contemplated, RPPL will be paid its receivables by the off-taker, CPPA, and its Complex will be handed over to the Government as per terms of the PPA. On October 18, 2024, RPPL's Board of Directors have referred the proposal to the Shareholders of RPPL for consideration and approval and shareholders meeting will be held on November 11, 2024.

Therefore, the recoverability of the investment in AEL may be estimated reliably once the pending proposal is approved.

28. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue in the Board of Directors meeting held on October 28, 2024.


Chief Executive


Director


Chief Financial Officer

REALISM

1970.....

Movement in mid- to late 19th-century art, in which an attempt was made to create objective representations of the external world based on the impartial observation of contemporary life. Realism was consciously democratic, including in its subject-matter and audience activities and social classes previously considered unworthy of representation in high art. The most coherent development of Realism was in French painting, where it centred on the work of Gustave Courbet, who used the word *réalisme* as the title for a manifesto that accompanied an exhibition of his works in 1855. Though its influence extended into the 20th century its later manifestations are usually labelled as Social Realism.



Frederic Remington

Title: The Wounded Bunkie

Medium: Bronze

Source: https://artsandculture.google.com/asset/the-wounded-bunkie-frederic-remington/_QFP3K6-uGACzg



A large industrial steel mill with a massive rotating steel coil and a shower of sparks. The scene is dimly lit, with bright sparks and a few overhead lights providing the main illumination. The steel coil is the central focus, curving across the frame. Sparks are falling from the top left, creating a dynamic and industrial atmosphere.

CRESCENT STEEL AND ALLIED PRODUCTS LIMITED

Consolidated Financial Statements

FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For the first quarter ended September 30, 2024

Note	First quarter ended		
	September 30, 2024	September 30, 2023	
----- (Rupees in '000) -----			
Sales	17	1,350,880	1,589,241
Less: Sales tax		205,058	242,427
		<u>1,145,822</u>	<u>1,346,814</u>
Cost of sales		919,809	1,020,085
Gross profit		<u>226,013</u>	<u>326,729</u>
Income from investments - net	18	16,627	69,416
		<u>242,640</u>	<u>396,145</u>
Distribution and selling expenses		7,778	18,018
Administrative expenses		93,664	81,945
Other operating expenses	19	9,796	20,697
		<u>111,238</u>	<u>120,660</u>
		<u>131,402</u>	<u>275,485</u>
Other income		17,122	19,147
Operating profit before finance costs		<u>148,524</u>	<u>294,632</u>
Finance costs	20	62,803	129,911
Share of profit in equity accounted investees - net of taxation		315,407	199,017
Profit before levies and taxation		<u>401,128</u>	<u>363,738</u>
Levies - final tax		(2,292)	(20,300)
Profit before taxation		<u>398,836</u>	<u>343,438</u>
Taxation			
- current for the period		(15,777)	(43,345)
- deferred		(51,152)	(20,731)
		<u>(66,929)</u>	<u>(64,076)</u>
Profit for the period		<u>331,907</u>	<u>279,362</u>
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)		(9,493)	(4,497)
Items that will be reclassified subsequently to profit or loss			
Proportionate share of other comprehensive income / (loss) of equity accounted investees		360	(152)
		<u>(9,133)</u>	<u>(4,649)</u>
Total comprehensive income for the period		<u><u>322,774</u></u>	<u><u>274,713</u></u>
----- (Rupees) -----			
Earnings per share - Basic and diluted	21	4.28	3.60

The annexed notes from 1 to 29 form an integral part of these condensed interim 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 first quarter ended September 30, 2024

	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 2023	776,325	1,020,908	29,913	1,050,821	(26,581)	3,642,000	1,983,576	5,598,995	7,426,141
Total comprehensive income for the period									
Profit after taxation for the period	-	-	-	-	-	-	279,362	279,362	279,362
Other comprehensive income									
Other comprehensive loss for the period	-	-	(152)	(152)	(4,497)	-	-	(4,497)	(4,649)
Total comprehensive income for the period	-	-	(152)	(152)	(4,497)	-	279,362	274,865	274,713
Balance as at September 30, 2023	776,325	1,020,908	29,761	1,050,669	(31,078)	3,642,000	2,262,938	5,873,860	7,700,854
Balance as at July 1, 2024	776,325	1,020,908	29,761	1,050,669	(23,018)	3,642,000	3,245,120	6,864,102	8,691,096
Total comprehensive income for the period									
Profit after taxation for the period	-	-	-	-	-	-	331,907	331,907	331,907
Other comprehensive loss									
Other comprehensive (loss) / income for the period	-	-	360	360	(9,493)	-	-	(9,493)	(9,133)
Total comprehensive income for the period	-	-	360	360	(9,493)	-	331,907	322,414	322,774
Balance as at September 30, 2024	776,325	1,020,908	30,121	1,051,029	(32,511)	3,642,000	3,577,027	7,186,516	9,013,870

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

The annexed notes from 1 to 29 form an integral part of these condensed interim 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 first quarter ended September 30, 2024

	Note	First quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Cash flows from operating activities			
Cash generated from / (used in) operations	22	350,636	(628,690)
Taxes (paid) / refund received		(98,469)	101,504
Finance costs paid		(59,870)	(80,289)
Contribution to gratuity and pension funds		(9,300)	(8,037)
Net cash generated from / (used in) operating activities		182,997	(615,512)
Cash flows from investing activities			
Capital expenditure		(26,793)	(13,142)
Acquisition of intangible assets		(4,724)	(3,207)
Proceeds from disposal of operating fixed assets		-	1,238
Investments - net		(58,161)	245,706
Dividend income received		10,383	313,582
Interest income received		8,349	3,369
Net cash (used in) / generated from investing activities		(70,946)	547,546
Cash flows from financing activities			
Repayments of long term loans - net		(210)	(165)
Payments against finance lease obligations		(27,004)	(8,138)
Proceeds from short term loans obtained - net		(126,905)	331,982
Net cash (used in) / generated from financing activities		(154,119)	323,679
Net increase in cash and cash equivalents		(42,068)	255,713
Cash and cash equivalents at beginning of the period		287,473	(427,406)
Cash and cash equivalents at end of the period	23	245,405	(171,693)

The annexed notes from 1 to 29 form an integral part of these condensed interim 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 first quarter ended September 30, 2024

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 August 1, 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 offices of the Holding Company and its subsidiary companies are located at E-floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore, whereas their principal offices are situated at 9th floor Sidco Avenue Centre 264 R.A. Lines, Karachi.
- 1.3 CS Capital (Private) Limited was incorporated on November 5, 2010 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act 2017) located at principal office of the Holding Company. The principal activity of the Subsidiary Company is to effectively manage investment portfolios in shares, commodities and other securities (strategic as well as short term). On September 26, 2011, the Holding Company purchased the entire shareholding from its previous principal shareholder. Consequently, the Company becomes the wholly owned subsidiary of the Holding Company.
- 1.4 Solution de Energy (Private) Limited was incorporated as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as result of a Joint Venture (JV) agreement ('the JV Agreement') executed on October 8, 2013 between Management de Consortium Capital (MdeCC), a partnership concern and the Holding Company. During the year ended June 30, 2019, the JV Agreement was dissolved and the Holding Company and MdeCC entered into a management contract, whereby MdeCC is responsible for managing the project.

The head office of the Subsidiary Company is located at principal office of the Holding Company. 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 having share capital of Rs. 90 is not carrying on any business operations.
- 1.6 Details regarding the Group's associates are given in note 6 to this condensed interim 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, 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 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 June 30, 2024. 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 June 30, 2024.

3.2 NEW STANDARDS, AMENDMENTS AND INTERPRETATION TO ACCOUNTING AND REPORTING STANDARDS

3.2.1 Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to the accounting and reporting standards which became mandatory for the Group during the period. However, the amendments did 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.

3.2.2 Standards and amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Group:

There are certain new standards and amendments that will be applicable to the Group for its annual periods beginning on or after July 1, 2024. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Group's financial reporting framework upon adoption by the SECP. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Group's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

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 June 30, 2024.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Unaudited September 30, 2024	Audited June 30, 2024
----- (Rupees in '000) -----			
Operating fixed assets	5.1	2,017,673	2,064,089
Capital work-in-progress		144,580	130,876
		<u>2,162,253</u>	<u>2,194,965</u>

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

	Unaudited First quarter ended September 30, 2024		Unaudited First quarter ended September 30, 2023	
	Additions / Transfers	Disposals / Transfers	Additions / Transfers	Disposals
----- (Rupees in '000) -----				
Plant and machinery - owned	-	-	224,000	-
Electrical / office equipment and installation	160	310	-	-
Computers	759	-	-	877
Motor vehicles - owned	6,116	-	5,900	2,775
	<u>7,035</u>	<u>310</u>	<u>229,900</u>	<u>3,652</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 September 30, 2024	Audited June 30, 2024		Note	Unaudited September 30, 2024	Audited June 30, 2024
(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	2,888,693	2,572,926
35,011,347	35,011,347	Shakarganj Limited (Chief Executive Officer - Mr. Muhammad Saif Ullah)	6.1	-	-
Unquoted					
3,430,000	3,430,000	Crescent Socks (Private) Limited (Chief Executive Officer - Mr. Shehryar Mazhar)	6.1	-	-
				<u>2,888,693</u>	<u>2,572,926</u>

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

Description	September 30, 2024			
	Altern Energy Limited	Shakarganj Limited	Crescent Socks (Private) Limited	Total
	Note ----- Rupees in '000 -----			
Opening balance as at July 1, 2024	2,572,926	-	-	2,572,926
Share of profit	6.2 315,407	-	-	315,407
Share of equity	6.2 360	-	-	360
Closing balance as at September 30, 2024	2,888,693	-	-	2,888,693

Description	June 30, 2024			
	Altern Energy Limited	Shakarganj Limited	Crescent Socks (Private) Limited	Total
	----- Rupees in '000 -----			
Opening balance as at July 1, 2023	2,918,012	30,274	-	2,948,286
Share of profit / (loss)	450,963	(29,933)	-	421,030
Share of equity	189	(341)	-	(152)
Dividend received	(796,238)	-	-	(796,238)
Closing balance as at June 30, 2024	2,572,926	-	-	2,572,926

6.2 These figures are based on financial statements / information of these companies as at June 30, 2024.

6.3 Percentage of holding of equity in associates is as follows

	Note	Unaudited September 30, 2024	Audited 30 June 2024
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 September 30, 2024 is Rs. 2,326.686 million (June 30, 2024: Rs. 2,890.810 million).

7. OTHER LONG TERM INVESTMENTS

	Note	Unaudited September 30, 2024	Audited June 30, 2024
(Rupees in '000)			
Fair value through other comprehensive income (FVOCI)	7.1	95,726	106,575
Fair value through profit or loss (FVTPL)	7.2 & 7.3	<u>742,932</u>	<u>742,932</u>
		<u>838,658</u>	<u>849,507</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 recognize 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. 529.513 million and Rs. 213.419 million (June 30, 2024: Rs. 529.513 million and Rs. 213.419 million), respectively.

8. STOCK-IN-TRADE

		Unaudited September 30, 2024	Audited June 30, 2024
(Rupees in '000)			
Raw materials			
Hot rolled steel coils (HR Coil)		212,000	441,151
Coating materials		469,949	480,129
Remelting steel scrap		11,999	11,999
Others		282,577	331,071
Stock-in-transit		471	-
		<u>976,996</u>	<u>1,264,350</u>
Work-in-process		82,051	60,546
Finished goods	8.1	124,011	99,278
Scrap / cotton waste		20,900	23,420
		<u>226,962</u>	<u>183,244</u>
		<u>1,203,958</u>	<u>1,447,594</u>

- 8.1** Stock in trade as at September 30, 2024 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 (June 30, 2024: Charge of Rs.11.293 million) has been recognised in cost of sales.

9. TRADE DEBTS

	Note	Unaudited September 30, 2024	Audited June 30, 2024
(Rupees in '000)			
Secured			
Considered good		131	437,386
Unsecured			
Considered good	9.1	1,227,153	1,034,860
Considered doubtful		23,774	23,774
		<u>1,250,927</u>	<u>1,058,634</u>
Impairment loss on trade debts		(23,774)	(23,774)
		<u>1,227,284</u>	<u>1,472,246</u>

- 9.1** This includes balance due from following related party:

Pak Elecktron Limited		<u>34,983</u>	<u>45,546</u>
-----------------------	--	----------------------	----------------------

10. ADVANCES

This includes advances amounting to Rs. 519.583 million (June 30,2024: Rs. 193.725 million) given to suppliers for goods and services.

11. INVESTMENTS

Note	Unaudited September 30, 2024	Audited June 30, 2024
	(Rupees in '000)	
At amortised cost	22,000	244,360
At fair value through profit or loss (FVTPL)	945,019	1,132,754
	<u>967,019</u>	<u>1,377,114</u>

11.1 This represents investment in fixed deposit receipts carrying markup of 15.5% to 18% maturing on August 20, 2025.

11.2 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 (June 30, 2024: Rs. Nil per share).

11.3 Investments having an aggregate market value of Rs. 846.765 million (June 30, 2024: Rs. 2,216.772 million) have been pledged with financial institutions as security against financing facilities (see note 15.4) out of which Rs. 428.383 million (June 30, 2024: Rs. 1,576.511 million) relates to long term investments.

12. OTHER RECEIVABLES

Note	Unaudited September 30, 2024	Audited June 30, 2024
	----- (Rupees in '000) -----	
Dividend receivable	12,474	2,701
Provision there against	(886)	(886)
	<u>11,588</u>	<u>1,815</u>
Receivable against sale of investments	18,376	18,151
Provision there against	(17,723)	(17,723)
Receivable against sale of investments	653	428
Receivable against rent from investment property	375	345
Claim receivable	461	461
Due from related parties	3,759	4,459
Sales tax refundable	77,148	20,867
Margin on letter of credit and guarantee	25,490	21,464
Receivable from staff retirement benefits funds	29,638	29,640
Others	1,521	2,829
	<u>150,633</u>	<u>82,308</u>

12.1 Due from related parties

CS Capital (Private) Limited	4,889	-
The Crescent Textile Mills Limited	379	552
Premier Insurance Limited	21	-
Shakarganj Food Products Limited	3,359	3,907
	<u>3,759</u>	<u>4,459</u>

		Unaudited September 30, 2024	Audited June 30, 2024
		----- (Rupees in '000) -----	
13. LONG TERM LOANS			
Secured - Under shariah arrangement			
Long Term Sukuk Certificates	14.1	400,000	400,000
Less: Transaction Cost	14.1.1	(1,916)	(2,381)
		<u>398,084</u>	397,619
Secured - Under non-shariah arrangement			
JS Bank Limited	13.3	29,172	29,847
		<u>427,256</u>	427,466
Less: Current portion shown under current liabilities		<u>270,322</u>	270,303
		<u>156,934</u>	157,163

13.1 During the year ended June 30, 2023, the Holding Company issued 8,000 unlisted, privately placed and secured Sukuk certificates (SUKUK-AI-Istisna) on October 11, 2022, having face value of Rs. 100,000 each, amounting to Rs. 800 million. Aggregate amount of Rs. 800 million in connection with issuance of Sukuk-al-istisna was received on October 11, 2022. The Sukuk certificates carry profit at the rate of 6-months KIBOR + 2% per annum with semi-annual rental payments having tenure of three years from the issue date on arrear basis. Principal repayment installment had commenced from April 2023. During the period, the Holding Company has made repayments of Rs. Nil million and profit on such arrangement was 23.73% (June 30, 2024: 24.08% to 24.76%) per annum.

14.1.1 This represent the cost incurred with respect to the issuance of Sukuk certificates, amortized using effective interest rate.

13.3 During the year ended June 30, 2021, the Holding Company entered into a loan arrangement with JS Bank Limited in which 5 tranches were received. The tranches were converted into the State Bank of Pakistan's (SBP) "SBP Financing scheme for Renewable Energy". The term of the loan is 10 years from the date of disbursement with a grace period of 3 months, repayable in monthly installments starting from June 2021. Mark-up was payable quarterly at the rate of 1 month KIBOR plus 1% per annum up till approval of refinance from the SBP and after approval from the SBP, mark-up is payable at the concessional rate of 6% per annum.

The effective interest on such arrangement was 8.49% (June 30, 2024: 8.49%) per annum.

		Unaudited September 30, 2024	Audited June 30, 2024
		----- (Rupees in '000) -----	
14. TRADE AND OTHER PAYABLES			
	Note		
Trade creditors		126,903	69,589
Bills payable		38	38
Commission payable		385	385
Customer's security deposits		1,062	-
Accrued liabilities		409,396	703,215
Advances from customers		238,177	12,926
Infrastructure fee, sales tax and damages		327,451	323,752
Due to related parties	14.1	26,048	26,234
Payable to provident fund		2,913	47
Payable to staff retirement benefit funds		3,271	102
Retention money		509	110
Withholding tax payable		4,542	3,272
Workers' Profit Participation Fund		102,405	94,975
Workers' Welfare Fund		43,677	41,562
Others		90,551	84,481
		<u>1,377,328</u>	1,360,688
14.1 Due to related parties			
Premier Insurance Company Limited		-	1,445
Shakarganj Limited		26,048	24,789
		<u>26,048</u>	26,234

15. SHORT TERM BORROWINGS

	Note	Unaudited September 30, 2024	Audited 30 June 2024
----- (Rupees in '000) -----			
Secured from banking companies			
Running finances under mark-up arrangements	15.1	86,761	199,216
Short term loans	15.2 & 15.4	452,366	579,271
		539,127	778,487

15.1 Running finances facility / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 1,100 million (June 30, 2024: Rs. 1,100 million) out of which Rs. 400 million (June 30, 2024: Rs. 400 million), Rs. 100 million (June 30, 2024: Rs. 100 million) and Rs. 400 million (June 30, 2024: Rs. 400 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 19.74% to 23.73% (September 30, 2023: 22.42% to 24.91%) per annum.

15.2 Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 4,500 million (June 30, 2024: Rs. 4,500 million) out of which Rs. 4,000 million (June 30, 2024: Rs. 4,000 million), Rs. 400 million (June 30, 2024: Rs. 400 million) and Rs. 205 million (June 30, 2024: Rs. 205 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 17.18% to 23.46% (September 30, 2023: 22.65% to 25.23%) per annum.

15.3 The facilities for opening letters of credit amounted to Rs. 4,650 million (June 30, 2024: Rs. 4,650 million) out of which Rs. 400 million (June 30, 2024: Rs. 400 million), Rs. 4,000 million (June 30, 2024: Rs. 4,000 million) and Rs. 205 million (June 30, 2024: Rs. 205 million) are interchangeable with short term running finance, short term loans and letters of guarantee facility respectively as mentioned in notes 15.1 and 15.2 above. The facility for letters of guarantee as at September 30, 2024 amounted to Rs. 2,134.34 million (June 30, 2024: Rs. 2,713.28 million). Amounts unutilized for letters of credit and guarantees as at September 30, 2024 were Rs. 2,455.84 million and Rs. 761.41 million (June 30, 2024: Rs. 3,489.6 million and Rs. 996.58 million), respectively.

15.4 These includes an amount of Rs. 100 million funded facilities (June 30, 2024: Rs. 579.28 million outstanding against Islamic mode of financing. The Holding Company is currently availing Islamic mode of financing from the Al Baraka Bank and Dubai Islamic Bank. Funded and Non funded facilities availed include letters of credit, bank guarantees, Wakala, Morabaha, Istisna and Ijarah financing.

15.4 The above facilities (refer note 16.1 to 16.3) are expiring on various dates with maturing periods upto March 31, 2025 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.

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, 29.3 and 30.1 to the Group's annual consolidated financial statements for the year ended June 30, 2024.

16.2 Commitments

16.2.1 Aggregate amount of guarantees issued by banks on behalf of the Group against various contracts aggregated to Rs. 1,372.93 million (June 30, 2024: Rs. 1,717.65 million). These include guarantees issued by Islamic banks amounting to Rs. 51.90 million (June 30, 2024: Rs. 204.346 million).

16.2.2 Commitments in respect of capital expenditure contracted for by the Holding Company as at September 30, 2024 amounted to Rs. 70.399 million (June 30, 2024: Rs. 46.084 million).

16.2.3 Commitments under letters of credit as at September 30, 2024 amounted to Rs. 1,646.41 million (June 30, 2024: Rs. 434.97 million).

17. SALES	Note	Unaudited First quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Local sales			
Bare pipes		481,986	-
Pre coated pipes	#####	834,924	1,529,454
Others		27,362	44,382
Scrap / waste		6,608	15,405
		<u>1,350,880</u>	<u>1,589,241</u>
Sales tax		<u>(205,058)</u>	<u>(242,427)</u>
		<u><u>1,145,822</u></u>	<u><u>1,346,814</u></u>

17.1 This includes revenue amounting to Rs. 707.563 million, where Hot Rolled Coil (HRC) was supplied by client.

17.2 Revenue is disaggregated by major products and also by geographical market additionally revenue by measure customer is disclosed in note 24.4 to these condensed interim consolidated financial statements.

18. INCOME FROM INVESTMENTS - NET	Note	Unaudited First quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Dividend income	18.1	20,099	14,605
Gain on sale of FVTPL investments - net	18.2	2,771	21
Unrealized (loss) / gain on FVTPL investments - net	18.3	(8,144)	52,541
Rent from investment properties	18.5	1,901	2,015
		<u>16,627</u>	<u>69,182</u>

18.1 This includes Rs.17.47 million earned on investments in Shariah Compliant Investee Companies.

18.2 This includes gain of Rs. 2.35 million earned on disposal of investments of Shariah Compliant Investee Companies.

18.3 This includes loss of Rs. 26.52 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. 0.597 million (September 30, 2023: Rs. 1.016 million).

19. OTHER OPERATING EXPENSES		Unaudited First quarter ended	
		September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
Exchange loss		98	(1)
Provision for:			
Workers' Profit Participation Fund		7,430	9,498
Workers' Welfare Fund		2,116	1,090
Stock-in-trade		-	10,110
		<u>9,796</u>	<u>20,697</u>

20. FINANCE COSTS		Unaudited First quarter ended	
		September 30, 2024	September 30, 2023
Mark-up on short term loans - Shariah arrangement		10,949	11,853
Interest on - Non - Shariah arrangement			
- finance lease obligations		12,875	2,779
- long term loan		25,233	41,911
- running finances / short term loans		9,059	72,622
Bank charges		4,687	746
		<u>62,803</u>	<u>129,911</u>

21. BASIC AND DILUTED EARNINGS PER SHARE		Unaudited First quarter ended	
		September 30, 2024	September 30, 2023
Profit for the period		<u>331,907</u>	<u>279,362</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>
		----- (Rupees) -----	
Earnings per share - Basic and diluted		<u>4.28</u>	<u>3.60</u>

22. CASH GENERATED FROM / (USED IN) OPERATIONS

Note	Unaudited	
	First quarter ended	
	September 30, 2024	September 30, 2023
----- (Rupees in '000) -----		
	401,128	363,738
	Adjustments for non cash charges and other items	
	71,952	59,150
	-	492
	9,302	8,037
	(20,099)	(14,605)
	8,144	(52,541)
	(2,771)	(21)
	-	(234)
	-	10,110
	2,116	1,090
	7,430	9,498
	(8,349)	(3,369)
	-	(587)
	(135)	(135)
	(627)	(519)
	(1,854)	-
	62,803	129,911
	(315,407)	(199,017)
22.1	<u>137,003</u>	<u>(939,688)</u>
	<u>350,636</u>	<u>(628,690)</u>

22.1 Working capital changes

Decrease / (increase) in current assets

Stores, spares and loose tools	67,893	(3,076)
Stock-in-trade	243,636	(482,436)
Trade debts	208,878	(862,002)
Advances	(330,506)	20,789
Trade deposits and short term prepayments	(3,293)	(2,830)
Other receivables	(58,554)	114,702
	<u>128,054</u>	<u>(1,214,853)</u>

Increase in current liabilities

Trade and other payables	8,949	275,165
	<u>137,003</u>	<u>(939,688)</u>

23. CASH AND CASH EQUIVALENTS

Running finances under mark-up arrangements	(86,761)	(466,688)
Cash and bank balances	332,166	294,995
	<u>245,405</u>	<u>(171,693)</u>

24. SEGMENT REPORTING

24.1 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:

24.2 Segment revenues and results

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

For the first quarter ended September 30, 2024	Unaudited						Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments elimination / adjustments	
	------(Rupees in '000)-----						
Sales - net	1,145,822	-	-	-	-	-	1,145,822
Cost of sales	873,514	16,624	15,215	14,456	-	-	919,809
Gross profit / (loss)	272,308	(16,624)	(15,215)	(14,456)	-	-	226,013
Income from investments	-	-	-	-	16,627	-	16,627
	272,308	(16,624)	(15,215)	(14,456)	16,627	-	242,640
Distribution and selling expenses	6,128	1,161	-	489	-	-	7,778
Administrative expenses	79,522	1,870	1,398	4,027	6,847	-	93,664
Other operating expenses	9,735	-	-	-	61	-	9,796
	95,385	3,031	1,398	4,516	6,908	-	111,238
	176,923	(19,655)	(16,613)	(18,972)	9,719	-	131,402
Other income	14,412	2,164	-	-	546	-	17,122
Operating profit / (loss) before finance costs	191,335	(17,491)	(16,613)	(18,972)	10,265	-	148,524
Finance costs	62,465	74	-	-	264	-	62,803
Share of profit in equity accounted investees - net of taxation	-	-	-	-	315,407	-	315,407
Profit / (loss) before levies and taxation	128,870	(17,565)	(16,613)	(18,972)	325,408	-	401,128
Levies							(2,292)
Profit before taxation							398,836
Taxation							(66,929)
Profit for the period							331,907

For the first quarter ended September 30, 2023	Unaudited						Total
	Steel segment (Restated)	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments elimination / adjustments	
	------(Rupees in '000)-----						
Sales - net	1,346,814	-	-	-	-	-	1,346,814
Cost of sales	978,437	18,186	15,275	8,187	-	-	1,020,085
Gross profit	368,377	(18,186)	(15,275)	(8,187)	-	-	326,729
Income from investments - net	3,754	-	-	-	65,662	-	69,416
	372,131	(18,186)	(15,275)	(8,187)	65,662	-	396,145
Distribution and selling expenses	16,659	948	-	411	-	-	18,018
Administrative expenses	60,018	10,806	1,024	3,750	6,347	-	81,945
Other operating expenses	10,587	10,110	-	-	-	-	20,697
	87,264	21,864	1,024	4,161	6,347	-	120,660
	284,867	(40,050)	(16,299)	(12,348)	59,315	-	275,485
Other income	17,166	1,663	-	-	318	-	19,147
Operating profit / (loss) before finance costs	302,033	(38,387)	(16,299)	(12,348)	59,633	-	294,632
Finance costs	127,454	2,270	2	154	31	-	129,911
Share of profit in equity accounted investees - net of taxation	-	-	-	-	199,017	-	199,017
Profit / (loss) before levies and taxation	429,487	(36,117)	(16,297)	(12,194)	258,681	-	363,738
Levies - final tax							(20,300)
Profit before taxation							343,438
Taxation							(64,076)
Loss for the period							279,362

24.2.1 Revenue reported above represents revenue generated from external customers.

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

24.2.3 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 June 30, 2024. 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 Group's revenue from external customers for major products and services is given in note 17 to these condensed interim consolidated financial statements.

24.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 1,132.680 million (September 30, 2023: Rs. 1,332.826 million) of total Steel segment revenue of Rs. 1,145.822 million (September 30, 2023: Rs. 1,346.814 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. Nil million (September 30, 2023: Rs. Nil) of total Cotton segment revenue of Rs. Nil million (September 30, 2023: Rs. Nil). Revenue from major customers of Energy segment represents an aggregate amount of Rs. Nil (September 30, 2023: Rs. Nil) of total Energy segment revenue of Rs. Nil (September 30, 2023: Rs. Nil). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. Nil (September 30, 2023: Rs. Nil) of total Hadeed (Billet) segment revenue of Rs. Nil million (September 30, 2023: Rs. Nil).

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 Group as at September 30, 2024 and June 30, 2024 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 September 30, 2024 - Unaudited						
Segment assets for reportable segments	4,634,402	184,333	560,057	609,131	1,890,043	7,877,966
Investment in equity accounted investees	-	-	-	-	2,888,693	2,888,693
Unallocated corporate assets						981,299
Total assets as per consolidated statement of financial position						11,747,958
Segment liabilities for reportable segments	1,151,512	96,111	81,147	87,743	17,418	1,433,931
Unallocated corporate liabilities and deferred income						1,300,157
Total liabilities as per consolidated statement of financial position						2,734,088
As at June 30, 2024 - Audited						
Segment assets for reportable segments	4,747,273	182,806	572,814	621,933	2,072,518	8,197,344
Investment in equity accounted investees	-	-	-	-	2,572,926	2,572,926
Unallocated corporate assets						901,993
Total assets as per consolidated statement of financial position						11,672,263
Segment liabilities for reportable segments	1,265,608	97,287	81,191	86,102	157,936	1,688,124
Unallocated corporate liabilities and deferred income						1,293,043
Total liabilities as per consolidated statement of financial position						2,981,167

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, respectively are not allocated to reporting segments as these are managed by the Group's central treasury function.

24.7 Other segment information

	Unaudited					
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
	(Rupees in '000)					
For the first quarter ended September 30, 2024						
Capital expenditure	25,011	1,744	4,724	38	-	31,517
Depreciation and amortization	40,520	2,646	14,930	12,793	1,063	71,952
Non-cash items other than depreciation and amortization	70,071	488	-	-	(330,552)	(259,993)
For the first quarter ended September 30, 2023						
Capital expenditure	13,142	-	3,207	-	-	16,349
Depreciation and amortization	26,057	4,498	14,930	12,887	1,270	59,642
Non-cash items other than depreciation and amortization	136,491	13,582	2	154	(262,929)	(112,700)

25. 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	
			First quarter ended	
			September 30, 2024	September 30, 2023
----- (Rupees in '000) -----				
Altern Energy Limited	Associated company	Dividend income	-	300,647
		Dividend received	-	300,647
Shakarganj Limited	Associated company	Services rendered	2,351	1,939
		Reimbursable expenses	10	394
			307	-
Shakarganj Food Products Limited	Related party	Reimbursable expenses	1,242	1,282
		Payments received	1,500	1,000
		Rent	703	727
		Services received	993	-
The Crescent Textile Mills Limited	Associated company	Reimbursable expenses	1,009	917
		Payment received	2,364	1,456
		Rent	1,182	591
Crescent Socks (Private) Limited	Related party	Services rendered	-	300
		Payment received	-	300
The Citizens' Foundation*	Related party	Donation given	53	115
Pakistan Centre for Philanthropy	Related party	Annual membership fee	396	360
		Annual membership fee paid	396	360
Premier Insurance Limited*	Related party	Insurance premium	2,748	34
		Insurance premium paid	4,214	-
Pak Elektron Limited	Related party	Sales made	23,034	-
		Payments received	33,596	-
		Sale of investments	213	-
Meezan Bank Limited	Related party	Dividend income	2,025	-
		Dividend received	2,025	-
Pak-Qatar Asset Management Company Limited	Related party	Investment made	210,020	-
		Redemption of investment	360,463	-
		Dividend received	594	-
The Organic Meat Company Limited	Related party	Sale of investments	3,112	-
International Steels Limited	Related party	Dividend income	600	-
		Dividend received	600	-
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	231	416
Crescent Hadeed (Private) Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	85	95
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	2,707	2,303
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	6,053	4,760
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	3,649	3,170
Key management personnel	Related parties	Remuneration and benefits	46,588	42,633
Chairman of the Board	Related party	Honorarium	600	450
Directors	Related parties	Meeting fee	615	790

* These entities are / have been related parties of the Group 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
- 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 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.

26. 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 June 30, 2024.

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:

September 30, 2024 (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	945,019	95,726	-	-	1,040,745	1,040,745	-	-	1,040,745
- Unlisted equity securities	742,932	-	-	-	742,932	-	-	742,932	742,932
	<u>1,687,951</u>	<u>95,726</u>	-	-	<u>1,783,677</u>	<u>1,040,745</u>	-	<u>742,932</u>	<u>1,783,677</u>
Financial assets not measured at fair value									
Deposits	-	-	78,567	-	78,567	-	-	-	-
Investment in debt security	-	-	22,000	-	22,000	-	-	-	-
Trade debts	-	-	1,263,368	-	1,263,368	-	-	-	-
Other receivables	-	-	43,847	-	43,847	-	-	-	-
Bank balances	-	-	332,166	-	332,166	-	-	-	-
	-	-	<u>1,739,948</u>	-	<u>1,739,948</u>	-	-	-	-
Financial liabilities not measured at fair value									
Long term loans	-	-	-	427,256	427,256	-	-	-	-
Lease liabilities	-	-	-	241,099	241,099	-	-	-	-
Trade and other payables	-	-	-	661,076	661,076	-	-	-	-
Mark-up accrued	-	-	-	51,394	51,394	-	-	-	-
Short term borrowings	-	-	-	539,127	539,127	-	-	-	-
	-	-	-	<u>1,919,952</u>	<u>1,919,952</u>	-	-	-	-

June 30, 2024 (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									
Investment									
- Listed equity securities	1,132,754	106,575	-	-	1,239,329	1,239,329	-	-	1,239,329
- Unlisted equity securities	742,932	-	-	-	742,932	-	-	742,932	742,932
	<u>1,875,686</u>	<u>106,575</u>	<u>-</u>	<u>-</u>	<u>1,982,261</u>	<u>1,239,329</u>	<u>-</u>	<u>742,932</u>	<u>1,982,261</u>
Financial assets not measured at fair value									
Deposits	-	-	78,368	-	78,368	-	-	-	-
Term deposit receipt	-	-	244,360	-	244,360	-	-	-	-
Trade debts	-	-	1,472,246	-	1,472,246	-	-	-	-
Other receivables	-	-	31,801	-	31,801	-	-	-	-
Bank balances	-	-	336,689	-	336,689	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,163,464</u>	<u>-</u>	<u>2,163,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value									
Long term loan	-	-	-	427,466	427,466	-	-	-	-
Lease liabilities	-	-	-	254,987	254,987	-	-	-	-
Trade and other payable	-	-	-	884,200	884,200	-	-	-	-
Unclaimed dividend	-	-	-	26,188	26,188	-	-	-	-
Mark-up accrued	-	-	-	61,577	61,577	-	-	-	-
Short term borrowings	-	-	-	778,487	778,487	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,432,905</u>	<u>2,432,905</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.

26.1 Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring level 3 fair values as at September 30, 2024 for unquoted equity investments were same as at June 30, 2024. There was no change in significant unobservable inputs from June 30, 2024; therefore, carried at same values.

27. OTHER INFORMATION

The Board of Directors in its meeting held on August 7, 2024 has recommended a final cash dividend of Rs. 3.5 per share for the year ended June 30, 2024. These Un-audited condensed interim consolidated financial statements do not reflect the effect of final cash dividend payable as recommended by the Board of Directors.

28. SUBSEQUENT EVENTS

28.1 Subsequent to the reporting period, the Board of Directors has approved the disposal of plant and machinery and pre-engineered building of Crescent Hadeed (Billet) Division, which was non-operational for the past couple of years. Consequently, going forward the operations of Crecent Hadeed (Billet) Division will be classified as "discontinued operations" and remaining fixed assets as "assets held for sale" except for free hold land which will be classified as "investment property".

28.2 The Holding Company and its subsidiary company – CS Capital (Private) Limited collectively hold 17.6% of shares in Altern Energy Limited (AEL).

'AEL, through its subsidiary Power Management Company (Private) Limited, owns 59.98% of Rousch (Pakistan) Power Limited ("RPPL"), a power generation company established under the 1994 Power Policy.

'Subsequent to the reporting period, AEL has informed the Company that on the request of the Government, RPPL has been engaged with the Task Force for Power Sector Reforms formed by the Government of Pakistan ("the Task Force"). RPPL has received a proposal from the Task Force for early Termination of its Power Purchase Agreement (PPA) entered into with Central Power Purchasing Agency (Guarantee) Limited ("CPPA"), Implementation Agreement entered into with the President of Islamic Republic of Pakistan on behalf of the Government of Pakistan ("IA"), and the Guarantee issued by the Government of Pakistan, (these agreement together referred herein as ("the Agreements")), before the end of their term in 2032. Under the terms being contemplated, RPPL will be paid its receivables by the off-taker, CPPA, and its Complex will be handed over to the Government as per terms of the PPA. On October 18, 2024, RPPL's Board of Directors have referred the proposal to the Shareholders of RPPL for consideration and approval and shareholding meeting will be held on November 11, 2024.

Therefore, the recoverability of the investment in AEL may be estimated reliably once the pending proposal is approved.

29. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue in the Board of Directors meeting held on October 28, 2024.


Chief Executive


Director


Chief Financial Officer

