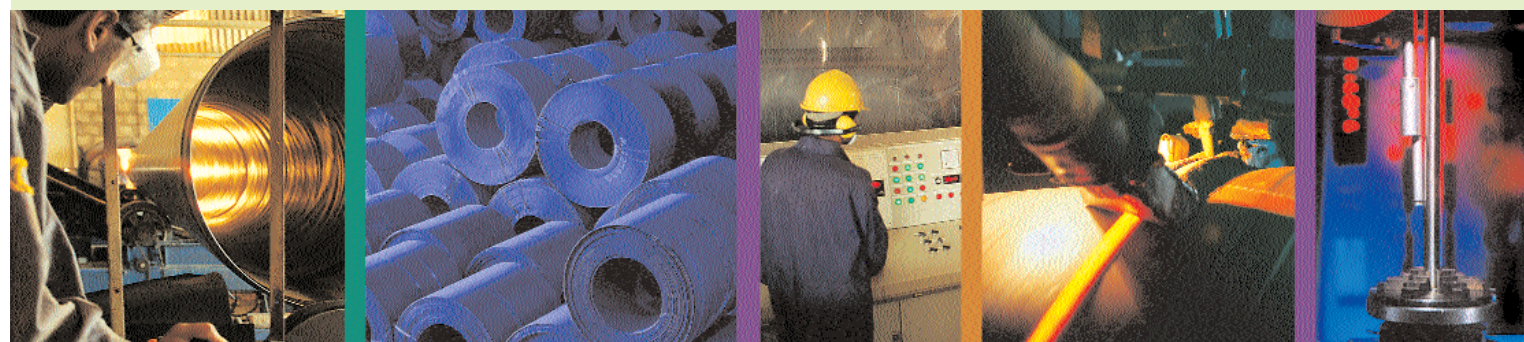


INTERIM REPORT FOR THE QUARTER AND
NINE MONTHS ENDED MARCH 31, 2004



Crescent Steel &
Allied Products Ltd.



COMPANY INFORMATION

Board of Directors

Chairman	Mazhar Karim
Chief Executive	Ahsan M. Saleem Javed Iqbal Javed A. Callea Mohammad Anwar Nasir Shafi S.M. Ehtishamullah Zahid Bashir

<u>Corporate Secretary</u>	Tariq Aleem
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Audit Committee

Chairman	Javed A. Callea Javed Iqbal Nasir Shafi
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Human Resource Committee

Chairman	Ahsan M. Saleem Javed Iqbal Nasir Shafi
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The Management

Chief Executive and Managing Director	Ahsan M. Saleem, 50 1983*
Advisor to CEO (Technical)	Mohammad Sharif, 71 1984*
Advisor to CEO (Corporate)	Dr. Wasim Azhar, 50 2001*
Finance Director	S.M. Ehtishamullah, 64 1996*
Executive Vice President Marketing and Sales	S.A.N. Kazmi, 61 1986*
Senior Vice President Head of Internal Audit	Mohammad Amin, 56 1992*
Senior Vice President Head of Buying	Nadir Mazhar, 56 1993*
General Manager (Technical) Cotton Division	Abdul Rouf, 44 2000*
Vice President (Manufacturing) Steel Division	Arif Raza, 42 1985*

**Year joined Company*



CHIEF EXECUTIVE'S REVIEW

Dear Shareholders,

I am pleased to present the results of your company for the third quarter and nine months ended March 31, 2004 together with comparative figures of corresponding periods of last year.

The economy continued its strong growth momentum with all major economic indicators showing an upward trend. The engineering industry however experienced a set back due to an alarming increase in international steel prices especially in the third quarter of the current fiscal. Textile industry also witnessed an unprecedented increase in cotton prices which directly affected the bottom line.

The total profit after tax for the nine months ended 31 March 2004 amounted to Rs. 222.1 million as compared to Rs. 227.3 million of the same period last year. Profit after tax for current third quarter amounted to Rs. 89.4 million as against Rs. 38.5 million of 3QFY03, an increase of 132%. The following paragraphs contain brief comments separately on steel division including investment income and the cotton division results and profits.

Steel Division

Order intake in the steel division was low during the period under consideration. High steel prices also adversely impacted some of our existing contracts. Steel division posted sales of Rs. 55.2 million in 3QFY04 and total revenues of Rs. 189.0 million in the first nine months of the current fiscal. These represented mostly conversion job for the WOPP and own product jobs for SNGPL. Gross margin at 24% remained at the same levels as of last year.

Capital markets remained buoyant, surging ahead to surpass the psychological barrier of 5000. Abundant liquidity, strong corporate performance, higher institutional participation and new listings all helped to drive this growth momentum. Active switching and proactive analysis helped your company to capitalize on this surge to post other income of Rs. 217.6 million which along with fair value gain on investments of Rs. 26.1 million helped to post income of Rs. 243.8 million in the first nine months of the current fiscal, an increase of 103% over the same period last year.

However lower volumes and increase in raw material cost affected net profit before tax which stood at Rs. 231.2 million in the nine months of the current fiscal compared to Rs. 298.4 million of the same period last year. Net profit before tax for the 3QFY04 amounted to Rs. 86.7 million as against Rs. 41.6 million of 3QFY03.

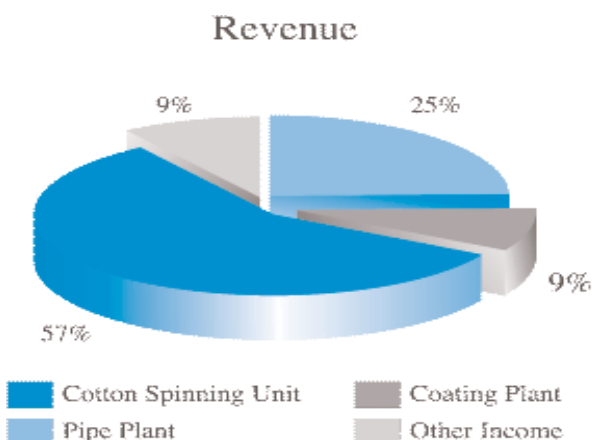
Cotton Division

The cotton division posted total revenues of Rs. 538.1 million in the nine months under review as compared to Rs. 390.7 million in the same period last year, an increase of 38%. Revenue increased from Rs. 139.3 million in 3QFY03 to Rs. 210.0 million in 3QFY04. This was largely due to higher yarn prices, a direct result of the unprecedented rise in cotton prices in the second and third quarter. Yarn prices however did not increase in the same proportion as cotton prices and strict control of expenses, increased operational efficiencies and active product mix change, helped to maintain gross margin at the same levels as of last year.

Higher selling and administration expenses mainly due to higher sales and issuance cost of the commercial paper affected the operating profit which came down to Rs. 10.0 million in the first nine months of FY04 from Rs. 13.7 million for the same period last year. Operating profit for the quarter however increased from Rs. 3.1 million of 3QFY03 to Rs. 7.3 million.

Total Profit

Total profit of the company before tax amounted to Rs. 233.6 million in the first nine months of FY04 as compared to Rs. 293.9





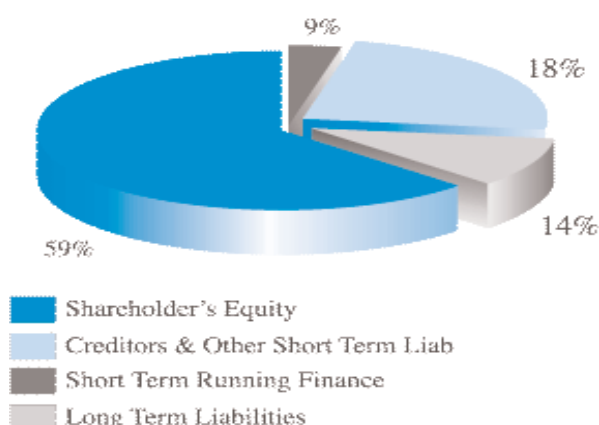
CHIEF EXECUTIVE'S REVIEW

million of the same period last year. On an after tax basis a tax provision of Rs. 11.5 million resulted in net profit of Rs. 222.1 million compared to Rs. 227.3 million of the quarter ended March 31, 2003. Translated to basic earning per share the figure for the three quarters of FY04 works out to Rs. 10.1 compared

The Cotton division's performance will depend to a large extent on cotton production and price trends. With an operationally more efficient unit and a cheaper source of fuel the management will make all efforts to capitalize on opportunities and minimize threats.

A fundamentally strong macroeconomic environment and good investment climate has prompted the management to explore avenues for further growth and expansion. Given our experience in the textile industry and the growth potential that we foresee within this sector we are analyzing the feasibility of setting up another spinning unit. We will keep our shareholders apprised of the progress in this regard.

Liabilities



to Rs. 10.3 of the nine months ended March 2003.

Ahsan M. Saleem
Chief Executive

Interim Dividend

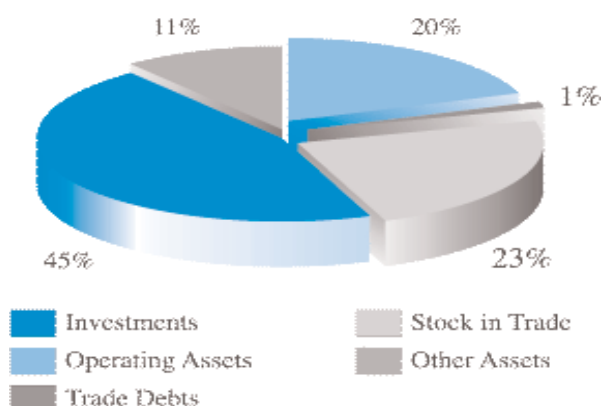
The board has decided to declare a second interim dividend of Re. 1 per share which together with the interim dividend declared earlier during the year add up to a total payout of Rs. 2 per share i.e. 20% for the current year.

17 April 2004

Future Outlook

Business in the steel division continues to look promising. SNGPL and SSGC are continuing with their expansion plans while there has been some progress on the Pak-Iran gas pipeline project also.

Assets



**BALANCE SHEET (UNAUDITED)**

As at 31 March 2004

	Note	31 March 2004	30 June 2003
Rupees in thousand			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
30,000,000 ordinary shares of Rs 10 each		300,000	300,000
Issued, subscribed and paid-up capital		220,934	200,849
Reserves	3	1,045,645	956,973
Unappropriated profit		182,132	4,257
		1,448,711	1,162,079
Deferred income		1,085	450
Redeemable capital – non-participatory-secured	4	300,000	-
Non-current liabilities			
Liabilities against assets subject to finance leases		34,058	38,015
Deferred tax		1,101	-
Current liabilities			
Current maturity of liabilities against assets subject to finance leases		19,686	27,087
Short-term finances	5	206,627	73,485
Creditors, accrued expenses and other liabilities		413,417	115,364
Taxation		-	4,236
Proposed dividend		22,093	40,170
		661,823	260,342
Contingencies and commitments	6	2,446,778	1,460,886
ASSETS			
Non-current assets			
Tangible fixed assets			
Operating fixed assets	7	297,958	318,056
Assets subject to finance leases		74,366	75,036
Capital work-in-progress	8	105,036	17,397
		477,360	410,489
Intangible assets		2,196	415
Long-term investments	9	157,117	70,329
Long-term deposits		5,732	5,289
Staff retirement benefits		6,368	6,368
Deferred tax		-	1,078
Current assets			
Stores, spares and loose tools		22,682	21,303
Stock-in-trade	10	574,387	205,021
Trade debts		30,194	26,023
Short-term advances		8,271	7,248
Short-term deposits and prepayments		11,067	5,598
Taxation		42,423	-
Current maturity of long-term investments		3,332	3,332
Investments	11	948,802	652,692
Other receivables		61,629	18,187
Cash and bank balances		95,218	27,514
		1,798,005	966,918
		2,446,778	1,460,886

The annexed notes from 1 to 15 form an integral part of these financial statements.


Chairman


Chief Executive



Crescent Steel &
Allied Products Ltd.

PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the nine months ended 31 March 2004

	Note	Nine months ended 31 March 2004			Nine months ended 31 March 2003		
		Steel division	Cotton division	Total	Steel division	Cotton division	Total
Rupees in thousand							
Sales		189,045	538,097	727,142	1,135,804	390,758	1,526,562
Cost of sales		143,102	511,393	654,495	863,011	371,180	1,234,191
Gross profit		45,943	26,704	72,647	272,793	19,578	292,371
Selling expenses		4,299	2,531	6,830	4,229	1,849	6,078
Administration expenses		38,969	14,135	53,104	56,807	4,016	60,823
		43,268	16,666	59,934	61,036	5,865	66,901
Operating profit		2,675	10,038	12,713	211,757	13,713	225,470
Other income	12	217,607	1,125	218,732	103,918	912	104,830
Unrealised gains on remeasurement of held-for- trading investment securities		26,190	-	26,190	15,951	-	15,951
		243,797	1,125	244,922	119,869	912	120,781
		246,472	11,163	257,635	331,626	14,625	346,251
Financial charges		6,394	7,523	13,917	3,024	10,840	13,864
Other charges		8,880	1,240	10,120	30,204	393	30,597
		15,274	8,763	24,037	33,228	11,233	44,461
Profit before taxation		231,198	2,400	233,598	298,398	3,392	301,790
Unrealised gains on available-for-sale investment securities transferred to equity		-	-	-	(7,883)	-	(7,883)
		231,198	2,400	233,598	290,515	3,392	293,907
Taxation - current				8,700			74,204
- prior				658			-
- deferred				2,179			(7,639)
				11,537			66,565
Profit for the period				222,061			227,342
Basic and diluted earnings per share				Rs. 10.05			Rs. 10.29

The annexed notes from 1 to 15 form an integral part of these financial statements.


Chairman


Chief Executive



Crescent Steel &
Allied Products Ltd.

PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the quarter ended 31 March 2004

	Quarter ended 31 March 2004			Quarter ended 31 March 2003		
	Steel division	Cotton division	Total	Steel division	Cotton division	Total
	Rupees in thousand					
Sales	55,256	210,019	265,275	212,830	139,372	352,202
Cost of sales	46,338	196,638	242,976	164,874	134,406	299,280
Gross profit	8,918	13,381	22,299	47,956	4,966	52,922
Selling expenses	1,560	1,046	2,606	1,419	547	1,966
Administration expenses	10,920	4,986	15,906	18,929	1,339	20,268
	12,480	6,032	18,512	20,348	1,886	22,234
Operating profit	(3,562)	7,349	3,787	27,608	3,080	30,688
Other income	79,552	127	79,679	22,188	349	22,537
Unrealised gains on remeasurement of held-for- trading investment securities	13,582	-	13,582	(6,952)	-	(6,952)
	93,134	127	93,261	15,236	349	15,585
	89,572	7,476	97,048	42,844	3,429	46,273
Financial charges	2,890	3,861	6,751	1,215	3,979	5,194
Other charges	29	162	191	-	-	-
	2,919	4,023	6,942	1,215	3,979	5,194
Profit / (loss) before taxation	86,653	3,453	90,106	41,629	(550)	41,079
Taxation - current			700			4,616
- deferred			-			(2,033)
			700			2,583
Profit for the period			89,406			38,496
Basic and diluted earnings per share			Rs. 4.05			Rs. 1.74

The annexed notes from 1 to 15 form an integral part of these financial statements.


Chairman


Chief Executive

**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 March 2004

	Issued, subscribed and paid-up capital	General reserve	Reserve for issue of bonus shares	Unrealised gains on remeasurement of available-for- sale investment securities	Unappro- priated profit	Total
Rupees in thousand						
Balance as at 1 July 2002	200,849	581,000	2,278	-	5,611	789,738
Profit for the nine months ended 31 March 2003	-	-	-	-	227,342	227,342
Unrealised gains on available-for-sale investments securities relating to change in accounting policy						
- for the period	-	-	-	72,957	-	72,957
- for the prior period	-	-	-	7,883	-	7,883
First interim dividend (10%)	-	-	-	-	(20,085)	(20,085)
Second interim dividend (10%)	-	-	-	-	(20,085)	(20,085)
Third interim dividend (10%) -	-	-	-	(20,085)	(20,085)	
Balance as at 31 March 2003	200,849	581,000	2,278	80,840	172,698	1,037,665
Balance as at 1 July 2003	200,849	746,000	22,363	188,610	4,257	1,162,079
Profit for the nine months ended 31 March 2004	-	-	-	-	222,061	222,061
Unrealised gains on available-for-sale investment securities	-	-	-	108,757	-	108,757
Bonus shares issued	20,085	-	(20,085)	-	-	-
First interim dividend (10%)	-	-	-	-	(22,093)	(22,093)
Second interim dividend (10%)	-	-	-	-	(22,093)	(22,093)
Balance as at 31 March 2004	220,934	746,000	2,278	297,367	182,132	1,448,711

The annexed notes from 1 to 15 form an integral part of these financial statements.


 Chairman


 Chief Executive

**CASH FLOW STATEMENT (UNAUDITED)**

For the nine months ended 31 March 2004

Note	Nine months ended 31 March 2004	Nine months ended 31 March 2003
	Rupees in thousand	
Cash flow from operating activities		
Cash (used in) / generated from operations	(41,418)	147,975
Taxes paid	(58,196)	(61,221)
Financial charges paid	(10,380)	(12,484)
Payment to pension and gratuity fund	(3,240)	-
Payment for the workers' welfare fund	(5,393)	-
Long-term deposits and prepayments	(443)	(348)
Net cash (used in) / from operating activities	<u>(119,070)</u>	<u>73,922</u>
Cash flow from investing activities		
Fixed capital expenditure	(126,070)	(37,532)
Purchase of intangible assets	(2,772)	(53)
Investments made – net	(76,338)	(11,978)
Proceeds from sale of fixed assets	5,448	1,478
Dividends received	37,826	27,309
Return on deposits received	3,614	12,413
Net cash used in investing activities	<u>(158,292)</u>	<u>(8,363)</u>
Cash flow from financing activities		
Proceeds from short-term borrowings	196,607	53,500
Proceeds from redeemable capital	300,000	-
Payment of lease rentals	(22,774)	(13,314)
Payment of long-term loans	-	(40,020)
Dividends paid	(47,917)	(80,300)
Net cash used in financing activities	<u>(425,916)</u>	<u>(80,134)</u>
Net increase / (decrease) in cash and cash equivalents	148,554	(14,575)
Cash and cash equivalents at beginning of the period	(19,971)	85,665
Cash and cash equivalents at end of the period	<u>128,583</u>	<u>71,090</u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

Chairman

Chief Executive



NOTES TO THE FINANCIAL STATEMENTS

(UNAUDITED)

1. INTRODUCTION

- 1.1 The company was incorporated on 1 August 1983 as a public limited company and is quoted on the stock exchanges in Karachi, Lahore and Islamabad. It is one of the downstream industries of Pakistan Steel Mills, manufacturing large diameter spiral arc welded steel line pipes at Nooriabad (District Dadu). The company has a coating facility capable of applying three layer high density polyethylene coating on steel line pipes. The coating plant commenced commercial production from 16 November 1992.
- 1.2 The company acquired a running spinning unit of 14,400 spindles at Jaranwala (District Faisalabad) on 30 June 2000 from Crescent Jute Products Limited. The cotton spinning activity is carried out by the company under the name and title of "Crescent Cotton Products a division of Crescent Steel and Allied Products Limited". A basic sale and purchase agreement has been entered into, however, the transfer of legal title of land is in the process of being completed.

2. BASIS OF PRESENTATION

- 2.1 These financial statements have been prepared in accordance with the requirements of the International Accounting Standard No. 34 'Interim Financial Reporting' and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the listing regulations of the Stock Exchanges of Pakistan.

The financial statements comprise of the balance sheet as at 31 March 2004 and the profit and loss account, statements of changes in equity and the cash flow statement for the nine months ended 31 March 2004 which have been subjected to a review.

The comparative balance sheet presented in these financial statements as at 30 June 2003 has been extracted from the audited financial statements of the company for the year ended 30 June 2003, whereas the comparative profit and loss account, statement of changes in equity and cash flow statement are stated from the unaudited financial statements for the nine months period ended 31 March 2003.

- 2.2 The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the company for the year ended 30 June 2003.

3. RESERVES

	31 March 2004	30 June 2003
	— Rupees in thousand —	
General reserves	746,000	746,000
Reserve for issue of bonus shares	2,278	22,363
Unrealised gains on remeasurement of available-for-sale investment securities	297,367	188,610
	<u>1,045,645</u>	<u>956,973</u>

4. REDEEMABLE CAPITAL – Non-Participatory-Secured

During the period, the company has issued Term Finance Certificates (TFCs) secured against first pari passu charge on all present and future assets of the company excluding land and building. TFC issue is privately placed to institutional investors and is repayable in 8 semi annual installments from July 2005 to January 2009. TFCs carry mark-up at the rate of 2.5% over the base rate (cut-off yield on the last SBP auction of the six months T-Bills).

5. SHORT-TERM FINANCES

During the period, the company has issued commercial papers amounting to Rs. 125 million and Rs. 75 million. These commercial papers were issued for a period of 180 days maturing on 12 May and 12 July 2004 respectively and carry discount rate of 3.5 percent per annum.



NOTES TO THE FINANCIAL STATEMENTS

(UNAUDITED)

6. CONTINGENCIES AND COMMITMENTS

- 6.1 The Ministry of Labour, Manpower and Overseas Pakistani's Division (the Ministry) in response to an application for establishment of separate fund for cotton division under Clause 15 of the Scheme to the Companies Profit (Workers' Participation) Act, 1968 has granted the permission for the same. The Ministry has, however, asked the company to deposit an amount of Rs. 47.850 million on account of Workers' Profit Participation Fund for the period between 1990 to 1997. This demand is being contested by the company as there were no eligible workers. The management, based on the advice of its legal consultants, is filing a constitutional petition in the High Court and is confident of a favourable outcome as the company contends that such claim or other claims, if any, are untenable. Thus, no provision has been made for the aforementioned amount in these financial statements.
- 6.2 The sales tax authorities had issued a show cause notice relating to sales tax of Rs. 2.482 million by disallowing input tax claimed on certain items and spare parts imported during the period from August 1997 to June 1998. The company has filed an appeal with the Customs, Excise and Sales Tax Appellate Tribunal who has referred the case to a Collector Sales Tax (Appeals) for fresh assessment. Based on the advice of legal advisor the management is confident that the matter will be decided in favour of the company. Accordingly, no provision has been made in these financial statements for the aforementioned amount.
- 6.3 The company has filed a suit in the High Court of Sindh for restraining the customs authorities from encashing a bank guarantee of Rs. 0.895 million issued while availing concessionary benefits of SRO 671 (1)/94 dated 3 July 1994. The liability of the company will eventually depend upon whether or not the goods were consumed in terms of the concession. This case is pending with the High Court and a sum of Rs. 0.895 million is contingently payable by the company in case the High Court decides the case against the company.
- 6.4 The company filed a suit in the High Court of Sindh for recovery of retention money amounting to Rs. 3.265 million from Indus Steel Pipes Limited against supply of pipes. The High Court has decided the case in the company's favour, however, pending a formal judgment the gain has not been recognised in these financial statements.
- 6.5 The company had filed a claim against SNGPL for return of its performance bond relating to a contract that was completed in the past. By way of a counter claim, SNGPL is claiming liquidated damages amounting to US dollar 904,447 and mark-up. The matter is currently pending before the Arbitrators. Management of the company, based on legal advice, is confident that there is no significant chance of the counter claim of SNGPL being allowed as the relevant guarantees have long since expired.
- 6.6 Aggregate amount of guarantees given by the banks on behalf of the company in respect of performance of various contracts as at 31 March 2004 aggregated to Rs. 168 million (30 June 2003: Rs. 117.52 million).
- 6.7 Letters of credit outstanding as on 31 March 2004 is Rs. 15.139 million (30 June 2003: Rs. 47.792 million).
- 6.8 Commitments in respect of capital expenditure contracted for as on 31 March 2004 is Rs. 2.905 million (30 June 2003: Rs. 0.663 million).



NOTES TO THE FINANCIAL STATEMENTS

(UNAUDITED)

7. OPERATING FIXED ASSETS

	Nine months ended 31 March 2004		Nine months ended 31 March 2003	
	Additions	Disposals	Additions	Disposals
	Rupees in thousand			
Plant and machinery	22,019	4,723	5,759	105
Furniture and fixture	-	-	1,185	-
Office and other equipment	128	-	433	-
Computers	476	-	438	-
Vehicles	3,867	2,378	5,868	3,385
Electric installation	-	-	107	-
	<u>26,490</u>	<u>7,101</u>	<u>13,790</u>	<u>3,490</u>

The company had acquired the cotton division effective 30 June 2000. The transfer of legal title of assets in the name of the company is in process.

8. CAPITAL WORK-IN-PROGRESS

During the period, the company has incurred Rs. 63 million on account of in-house power generation plant in cotton division and Rs. 24 million on account of registered office building.

9. LONG TERM INVESTMENTS

	31 March 2004			30 June 2003		
	Steel division	Cotton division	Total	Steel division	Cotton division	Total
	Rupees in thousand					
Available-for-sale investments	146,838	-	146,838	58,339	-	58,339
Government of Pakistan US \$ Bonds	8,613	-	8,613	8,658	-	8,658
Redeemable capital	1,666	-	1,666	3,332	-	3,332
	<u>157,117</u>	<u>-</u>	<u>157,117</u>	<u>70,329</u>	<u>-</u>	<u>70,329</u>

10. STOCK-IN-TRADE

	31 March 2004			30 June 2003		
	Steel division	Cotton division	Total	Steel division	Cotton division	Total
	Rupees in thousand					
Raw materials	303,303	248,947	552,250	52,090	122,758	174,848
Work-in-process	55	4,501	4,556	758	2,777	3,535
Finished goods	18,504	11,305	29,809	36,627	7,018	43,645
Scrap / cotton waste	53	2,286	2,339	-	177	177
	<u>321,915</u>	<u>267,039</u>	<u>588,954</u>	<u>89,475</u>	<u>132,730</u>	<u>222,205</u>
Provision	(14,567)	-	(14,567)	(17,184)	-	(17,184)
	<u>307,348</u>	<u>267,039</u>	<u>574,387</u>	<u>72,291</u>	<u>132,730</u>	<u>205,021</u>



NOTES TO THE FINANCIAL STATEMENTS

(UNAUDITED)

11. INVESTMENTS

	31 March 2004			30 June 2003		
	Steel division	Cotton division	Total	Steel division	Cotton division	Total
	Rupees in thousand					
Investments in musharika arrangements	43,386	-	43,386	26,000	-	26,000
Available-for-sale investments	450,630	-	450,630	422,340	-	422,340
Held-for-trading	442,723	-	442,723	186,065	-	186,065
Loans and advances originated by the enterprise – Islamic Republic of Pakistan Bonds 10%	12,063	-	12,063	18,287	-	18,287
	<u>948,802</u>	<u>-</u>	<u>948,802</u>	<u>652,692</u>	<u>-</u>	<u>652,692</u>

12. OTHER INCOME

	Nine Months ended 31 March 2004			Nine months ended 30 June 2003		
	Steel division	Cotton division	Total	Steel division	Cotton division	Total
	Rupees in thousand					
Gain on sale of investments	164,849	-	164,849	46,885	-	46,885
Dividend income	44,385	-	44,385	34,476	-	34,476
Return on deposits, advances and investments	4,262	110	4,372	13,088	181	13,269
Gain on sale of fixed assets	1,213	745	1,958	1,146	10	1,156
Others	2,898	270	3,168	8,323	721	9,044
	<u>217,607</u>	<u>1,125</u>	<u>218,732</u>	<u>103,918</u>	<u>912</u>	<u>104,830</u>



NOTES TO THE FINANCIAL STATEMENTS

(UNAUDITED)

13. SUMMARY OF TRANSACTIONS WITH RELATED PARTIES

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modules, as admissible, except in extremely rare circumstances where, subject to the approval of Board of Directors, it is in the interest of the company to do so. Transactions with related parties during the period are as follows:

	Nine Months ended 31 March 2004			Nine months ended 31 March 2003		
	Steel division	Cotton division	Total	Steel division	Cotton division	Total
	Rupees in thousand					
Insurance premium paid	5,988	2,061	8,049	5,714	1,343	7,057
Sale of pipes / yarn	697	1,947	2,644	1,055	11,634	12,689
Purchases	-	-	-	-	5,887	5,887
Sale of raw cotton	-	-	-	-	7,503	7,503
Return on deposits	644	-	644	3,016	-	3,016
Dividends income	6,171	-	6,171	3,868	-	3,868
Interest on long-term loans	-	-	-	-	1,334	1,334
Service charges (net)	3,588	2,023	5,611	-	1,270	1,270
Sale of fixed assets	-	600	600	-	105	105
Donation	2,434	3,333	5,767	6,604	-	6,604

14. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on April 17, 2004 by the board of directors of the company.

15. GENERAL

Figures have been rounded off to the nearest thousand rupees.


Chairman


Chief Executive



Crescent Steel &
Allied Products Ltd.

COMPANY AND INVESTORS' INFORMATION

Stock Exchange Listing

Crescent Steel and Allied Products Limited is a listed company and its shares are traded on all the three stock exchanges of Pakistan.

The company's shares are quoted in leading dailies under the Engineering Sector.

Public Information

Financial analysts, stock brokers, interested investors and financial media desiring information about 'Crescent Steel' should contact Farrukh Hussain at the company's Principal Office, Karachi.

Telephone: 021-5674881-5

E-mail: farrukh.hussain@crecscnt.com.pk

Shareholder Information

Enquiries concerning lost share certificates, dividend payments, change of address, verification of transfer deeds and share transfer should be directed to the Shareholder Services Department at the Registered Office at Lahore.

Telephone: 042-5712036, 5877087

E-mail: crescent_business@yahoo.com

Products

Steel Division

Manufacturer of DSAW steel line pipes in diameters ranging from 8" to 90" and applicator of multi-layer polyolefin coating conforming to international standards.

Cotton Division

Manufacturer of quality cotton yarn of various counts of 10s to 30s.

Auditors

KPMG Taseer Hadi Khalid & Co.

Legal Advisor

Hassan & Hassan Advocates, Lahore

Bankers

- Union Bank Limited
- Meezan Bank Limited
- PICIC Commercial Bank Limited
- National Bank of Pakistan

Registered Office

Unit No. 6, Happy Homes, 38-A-3, Main Gulberg, Lahore

Telephone : 042- 5712036, 5877087

Fax : 042- 5877325

E-mail :

crescent_business@yahoo.com

Liaison Office Lahore

14-C, Main Gulberg, Jail Road, Lahore.

Telephone : 042-5870346

E-mail : ejazahmed@fsibl.com

Principal Office

9th Floor, Sidco Avenue Centre, 264 R.A. Lines, Karachi-74200.

Telephone : 021- 5674881 – 5

Fax : 021- 5680476

E-mail : mail@crescent.com.pk

URL : www.crescent.com.pk

Factory – Steel Division

A/25, S.I.T.E., Nooriabad, District Dadu, Sindh.

Telephone : 02202-660021, 660022, 660163

E-mail : mail@nra.crescent.com.pk

Mills – Cotton Division

Crescent Cotton Products (Spinning Unit)

1st Mile, Lahore Road, Jaranwala.



COMPANY PROFILE

Crescent Steel and Allied Products Limited is a Public Limited Company listed on all the Stock Exchanges of Pakistan. It started commercial production in March 1987. The manufacturing facilities consist of a Spiral Pipe Production line and a multi-layer Polyolefin and stand-alone Epoxy Coating line, both located side by side at the Sindh Industrial Trading Estate, Nooriabad in Dadu district of Sindh and a Cotton Spinning Unit of 19,680 spindles at Jaranwala Faisalabad. Crescent Steel and Allied Products Limited is an equal opportunity employer with a sense of social responsibility and strongly supports education and environmental causes.

Steel Division

The Spiral Pipe Plant has a capability of manufacturing high quality steel pipes in the diameter range of 8-5/8" (219 mm) -90" (2286 mm) in wall thickness ranging from 4mm - 18 mm and material grades upto API 5L X-80 grade. The maximum annual capacity of the pipe plant is 80,000 tons per annum. The company has the unique distinction of having the authorisation to use API monogram of the American Petroleum Institute since 1987, the highest international standard accredited for quality of steel line pipe. In 1997 the company was awarded ISO 9001 Quality Management Standard Certification which it continues to maintain as ISO 9001 : 2000.

A multi-layer Polyolefin Coating Plant was added adjacent to the pipe mills in 1992. This plant is capable of applying multi-layer Coatings comprising of Fusion Bonded Epoxy, Co-Polymer Adhesive and High Density Polyethylene / Polypropylene and Polyethylene Tape Coating on steel pipes ranging from 6-5/8" (168 mm)-48" (1219mm). For clients who prefer a single layer protection only, the plant is capable of delivering Fusion Bonded Epoxy as a single protection in the same pipe diameter range.

Crescent Steel maintains high quality norms in all its products and has consistently exceeded the requirements of international standards both in steel line pipe and multi-layer coatings and will continue to remain at the cutting edge in terms of technology and quality.

Cotton Division

In the year 2000, the Company acquired a running cotton spinning mill of 14,400 spindles with building area of over 100,000 square feet and land area of 22.7 acres located at Jaranwala near Faisalabad, which is the hub of textile industry. The Company has since then expanded to 19,680 spindles and the plant capacity converted to 20's based on three shifts for 360 working days is 6,452,874 kgs of cotton yarn. The cotton spinning activity is carried out under the name and title of "Crescent Cotton Products (CCP) a Division of Crescent Steel and Allied Products Limited".

CCP is a division of the Company but its operating results are shown separately.

CCP as a division holds ISO 9001: 2000 Quality Management Credential. CCP produces good quality cotton yarn of various counts from 10s to 30s and its products are consistently in demand and generally sold at a premium.

BOOK



Crescent Steel &
Allied Products Ltd.

If undelivered, please return to:
9th Floor, SIDCO Avenue Centre, 264 R.A. Lines, Karachi, Pakistan. Tel: (021)