

3rd Quarterly
Report 2024



Crescent Steel and
Allied Products Limited

**CANVAS
OF CHANGE**
UNFOLDING ART MOVEMENTS



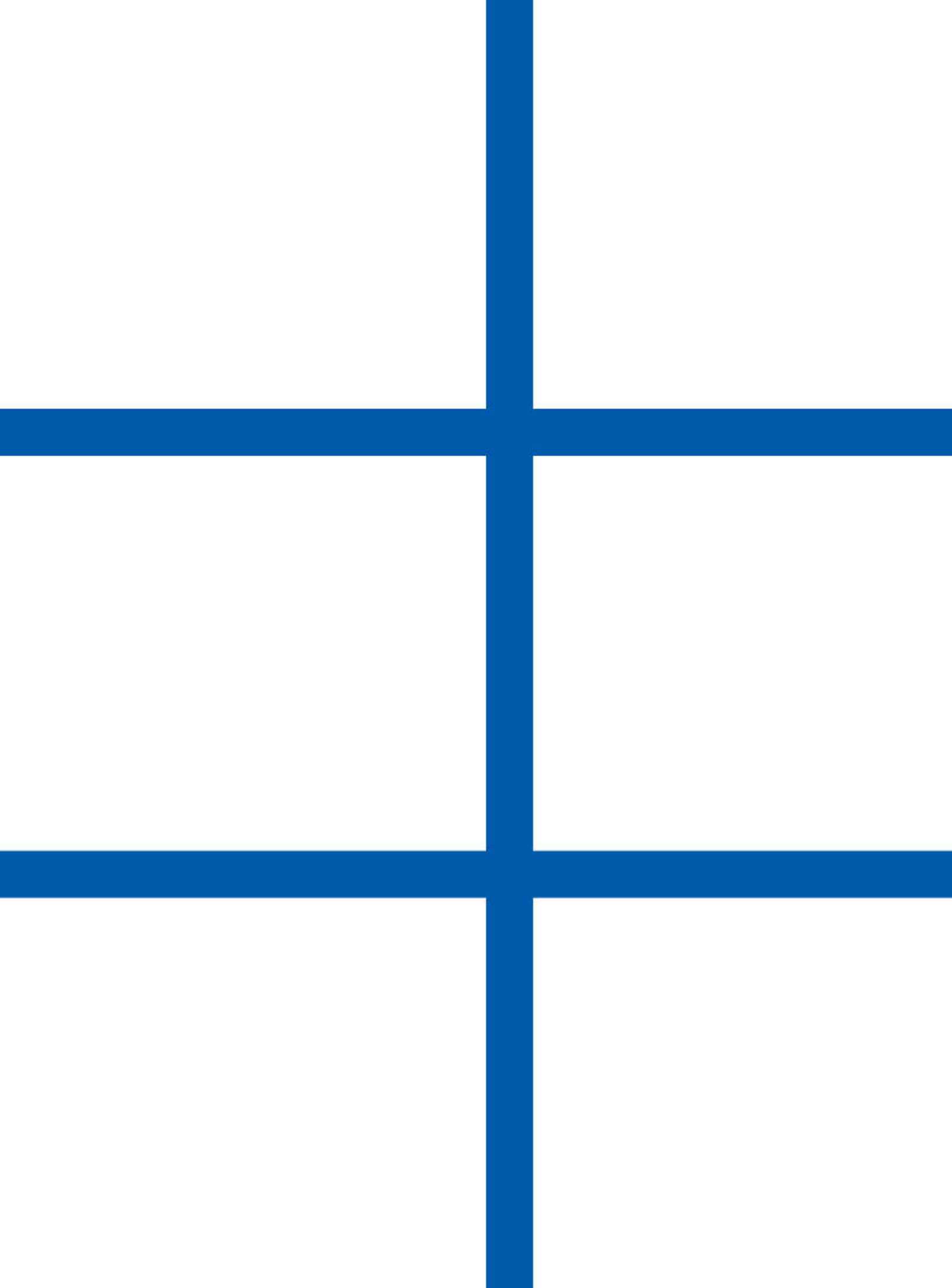
CANVAS OF CHANGE

This year's theme explores the interplay between art and society, demonstrating how art movements have consistently mirrored the evolving faces of culture and community across centuries.

From the Renaissance to modern street art, these expressions echo historical events and serve as poignant commentaries on societal issues.

This journey through time transports us through various epochs, each art movement encapsulating its era's prevailing values, challenges, and aspirations, offering a glimpse into the narrative of human progress.

Exploring the "Canvas of Change," we discover artistic expressions and the desire for and commitment to progress and innovation. We embrace the ever-evolving narrative of human development, offering a glimpse into the limitless potential for positive change in our company and the world."



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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 Heat Shrink Tape coatings on steel pipes ranging from 4" – 60" (114 mm – 1,524 mm), tape coatings on pipe diameter above 60" (1,524 mm) and internal epoxy coatings on diameters ranging from 8" – 60" (219 mm – 1,524 mm).

Crescent Steel is a 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

Ahmad Waqar

Member, Non-Executive Director

Nausheen Ahmad

Member, Non-Executive Director (Independent)

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

Member, Non-Executive Director (Independent)

RISK MANAGEMENT COMMITTEE

S.M. Ehtishamullah

Chairman, Non-Executive Director

Muhammad Kamran Saleem

Non-Executive Director (Independent)

Nihal Cassim

Member, 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

Summit Bank Limited

* Year of Joining

CANVAS
OF CHANGE

3rd Quarterly
REPORT

2024

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: arif.raza@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@crescent.com.pk

CRESCENT HADEED DIVISION BILLET MANUFACTURING UNIT

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

CS ENERGY DIVISION POWER GENERATION UNIT

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

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@crescent.com.pk

SHARE REGISTRAR

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

M/s CorpTec Associates (Private) Limited,
503-E Johar Town, Lahore.
Tel: +92 42 3517 0336-37
Fax: +92 42 3517 0338
Email: info@corptec.com.pk

CORPORATE WEBSITE

To visit our website, go to www.crescent.com.pk



FINANCIAL STATEMENT

For 3rd Quarterly Report 2024 go to: <https://www.crescent.com.pk/uploads/media/quarterly-report-march-2024.pdf>



POST- IMPRESSIONISM

1886 –
1905

VINCENT VAN GOGH

Title: The Starry Night

Van Gogh's night sky is a field of roiling energy. Below the exploding stars, the village is a place of quiet order. Connecting earth and sky is the flamelike cypress, a tree traditionally associated with graveyards and mourning. But death was not ominous for van Gogh. "Looking at the stars always makes me dream," he said, "Why, I ask myself, shouldn't the shining dots of the sky be as accessible as the black dots on the map of France? Just as we take the train to get to Tarascon or Rouen, we take death to reach a star."

Source: <https://artsandculture.google.com/asset/the-starry-night-vincent-van-gogh/bgEuwDxeI93-Pg>







CRESCENT STEEL AND ALLIED PRODUCTS LIMITED

DIRECTORS' REPORT

FOR THE NINE MONTHS ENDED MARCH 31, 2024

DIRECTORS' REPORT

The Directors of the Company are pleased to submit their report together with unaudited condensed interim unconsolidated and consolidated financial statements of the Company and the Group, respectively, for the nine months period ended March 31, 2024.

ECONOMIC OUTLOOK

We have come a long way since the beginning of this fiscal year – marred with political and economic uncertainty; The PKR had hit an all-time low of PKR 307.75/USD in September 2023 and Pakistan did not have enough FX reserves for business as usual, forcing a policy induced slow-down. There was a point where opening an LC required an upfront 100% cash margin. At the same time, policy rates have remained unchanged at 22% with inflation averaging 27% for the 9MFY24. It is evident that the containment measures worked and gauging the market response, the commitment towards structural reforms (taxation/revenue, energy, SOEs etc.) is a much awaited and welcome shift.

Pakistan's total external financing requirement for FY24 of USD 24.3 billion has largely either been paid or rolled over and the net payable stands at USD 3.5 billion – having said this, external flows remain critical to overall economic stability and Pakistan remains vulnerable to external shocks. Growth in remittances remains a key source of FX flows.

On the back of rising interest payments, the fiscal deficit is projected to increase to 8% of GDP in FY24, however, with continued fiscal consolidation measures in place, the primary deficit is projected to fall to 0.1% of GDP for FY24.

In this backdrop, budget 2025 will be difficult – it is expected that it will induce a demand slow-down to avoid the economy from overheating and will attempt to narrow the fiscal gap through tax reforms and reducing the size of the 'state economy'.

March 2024 saw a decline in inflation to 20.7%, marking a third consecutive monthly decrease. Real interest rates turned positive for the first time since January 2021. Despite reaching a peak in May 2023 at 38.0%, the nine-month average inflation stood at 27.06%. The State Bank of Pakistan (SBP) maintained the rate at 22% in mid-March, aiming for inflation targets of 23%-25% by FY24 and 5%-7% by September 2025.

The current account deficit narrowed to USD 1 billion, and PKR appreciated by 2.81%. Foreign reserves stood at USD 13.78 billion in March, with remittances slightly increasing to USD 21.0 billion. In February 2024, current account registered a surplus of USD 128 million against a deficit of USD 50 million in February 2023.

Total liquid foreign reserves stood at USD 13.78 billion, including SBP reserves of USD 8.04 billion. The trade deficit for the 9MFY24 shrank to USD 17.03 billion against USD 22.69 billion (down by 24.94%). Overall, exports rose to USD 22.91 billion (up 8%) while imports stood at USD 39.94 billion (down 8.65%) during the nine month period.

Revenue (July-January) rose 57% on the back of fiscal consolidation measures and tax reforms to PKR 4.40 trillion against PKR 2.80 trillion during the SPLY, while expenditures surged by 49% primarily on account of higher interest costs, to PKR 7.53 trillion as against PKR 5.06 trillion in SPLY, widening the fiscal deficit.

Primary balance exhibited surplus of PKR 1.93 trillion when compared to PKR 0.9 trillion in the SPLY. Consequently, the fiscal deficit for the first seven months of FY24 broadened to PKR 2,721

billion (2.6% of GDP) when compared with PKR 1,974 billion (2.3% of GDP) SPLY.

Despite challenges, large-scale manufacturing for the July-February period showed a marginal decline of 0.51% (SPLY: -5.56%), with LSM improving by 0.06% in February 2024 as against a fall of 2.6% SPLY with 12/22 sectors reporting growth.

For long-term growth and stability, continued efforts in addressing fiscal challenges and economic reforms remain imperative and inadequate macroeconomic management poses a risk to the downside.

FINANCIAL AND OPERATIONAL PERFORMANCE

Overall Unconsolidated Financial Performance

Company's after tax profit for nine months period ended March 31, 2024 (9MFY24) amounted to Rs. 1,043.5 million as compared to after tax loss of Rs. 102.3 million in 9MFY23 mainly contributed by the Steel Division and dividends from investments. Earnings per share (EPS) for HYFY24 was Rs. 13.44 per share as compared to Loss per Share of Rs. 1.01 in 9MFY23.

Company's sales revenue for 9MFY24 stood at Rs. 5,660.6 million (9MFY23: Rs. 4,098.5 million). Cost of Goods sold stood at Rs. 4,067.9 million (9MFY23: Rs. 3,124.3) generating a Gross Profit (GP) of Rs. 1,592.8 million (9MFY23 GP of Rs. 365.7 million) which was 28.1 percent of sales as compared to 10.5 percent in 9MFY23.

Cotton Division, Hadeed (Billet) Division and CS Energy Division were not operational during the nine months period ended March 31, 2024 as it was not viable to operate the Plants. Cotton Division reported LBT of Rs. 141.1 million whereas Hadeed (Billet) Division and CS Energy Division posted a combined LBT of Rs. 110.8 million primarily on account of fixed costs incurred during the period including non-cash (depreciation & amortization expense) of Rs. 83.4 million.

The Company's PBT for 9MFY24 amounted to Rs. 1,551.2 million as compared to LBT of Rs. 102.3 million in 9MFY23. Tax charge during 9MFY24 amounted to Rs. 507.7 million (current tax charge of Rs. 336.4 million including Super tax of Rs. 157.6 million while deferred tax charge amounted to Rs. 171.3 million).

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

- Sales revenue increased 62.2% to Rs. 5,660.6 million as compared to Rs. 3,490.0 million in 9MFY23.
- Income from Investments amounted to Rs. 805.1 million as compared to Rs. 16.2 million in 9MFY23. (Including dividends from Altern Energy amounting to Rs. 573.3 million).
- Gross profit of Rs. 1,592.8 million as compared to a gross profit of Rs. 365.7 million in 9MFY23.
- Profit before interest and tax (PBIT) for 9MFY24 was Rs. 1,917.9 million as compared to Rs. 136.3 million for 9MFY23.
- Profit before interest, tax, depreciation, and amortization (EBITDA) was Rs. 2,114.7 million as compared to Rs. 309.3 million in 9MFY23.
- Return on average capital employed (annualized) was 15.7 percent for 9MFY24 as compared to negative 1.3 percent in corresponding period last year.
- EPS for 9MFY24 was Rs. 13.44, as compared to LPS of Rs. 1.01 for 9MFY23.

BUSINESS SEGMENTS

Steel Segment

Steel Division revenue for the nine months period ended March 31, 2024 (9MFY24) amounted to Rs. 5,605.3 million (9MFY23: Rs. 2,420.9 million). GP for 9MFY24 was recorded at Rs. 1,777.5 million i.e., 31.7% (9MFY23: Rs. 511.9 million i.e., 21.1%). PBT for 9MFY24 stood at Rs. 1,024.7 million (9MFY23: PBT of Rs. 118.7 million)

as compared to budgeted profit of Rs. 1,368.2 million).

We supplied 35 Kms of Coated Steel Line Pipes in diameters of 16" and 20" and 46 km of Bare Steel Line Pipes in diameters of 16" and 24" to Gas Sector. In the same period, we supplied 47 Kms of 84" and 68" diameters coated steel line pipes for supplies to the K-IV Greater Karachi Bulk Water Supply Project. The K-IV project revenue of Rs. 2,007.2 excludes the cost of HRC supplied by the customer. The deemed revenue would be higher by Rs. 2,872.4 million. An external coating of 104 km of 8" diameter pipes was also executed during the period.

IID Segment

Market Review

On the back of increased investor confidence, optimism on the immediate state of the economy with lower inflation expectations/rate cut expectations/improved FX flows etc. and, still very attractive valuations, the KSE-100 continued to post gains during Q3FY24, gaining 7.3% (USD terms: 8.8%) to close at 67,005 points in March, up 3.8% MoM. During the nine-month period, the index was up 25,552 points or 61.64% from its fiscal year opening of 41,452 points, peaking at 67,246 points in March. On a CYTD basis, the market was up by 4,554.06 points or 6.91%.

The all-share market capitalization stood at PKR 9.47 trillion/USD 33.8 billion on March 29, 2024 - up PKR 3.08 trillion/USD 11.95 billion, (48.33%/54.20%) from its opening on July 03, 2023, and PKR 0.38 trillion/USD 1.84 billion (4.25%/5.71%) on a CYTD basis. When compared with its all-time high in May 2017, market cap stood at PKR 10.45 trillion/USD 99.7 billion - down 66% in dollar terms and 9.4% in PKR terms.

The outgoing quarter saw the new government taking charge and concluding a successful IMF review. The sentiment remained positive with an improved inflation and external outlook, stable growth expectations and continued reforms.

Despite high fixed income yields, market participation improved considerably YoY, largely on the back of optimism. Average traded volumes for the all-share index during the nine-month period stood at 453.25 million shares/day as against 203.67 million shares/day during the SPLY, up 122.54%. Similarly, the average daily value traded stood at PKR 14.40 bn as against PKR 6.60 bn during the SPLY, up by PKR 7.80 bn or 118.20%.

Net Foreign Inflows stood at USD 74.88 million (PKR 21.23 billion) as against consecutive inflows of USD 7.20 million (PKR 1.63 billion) in 9MFY23, and outflows of USD 271.13 million (PKR 46.59 billion) in 9MFY22 and USD 295.12 million (PKR 47.82 billion) in 9MFY21. On the domestic front, major net selling was observed by Banks with USD 112.59 million followed by Mutual Funds (USD 54.64 million), Brokers (USD 25.78 million), Other organizations (USD 17.05 million) and Individuals (USD 15.85 million). A major portion of this was absorbed by Insurance companies which took positions worth USD 120 million followed by Corporates with USD 30.53 million.

The KSE-100 is currently trading at a P/E of 4.2x (2024)/forward P/E of 3.5x, as compared to its 5 and 10-year averages of 5.6x and 8x, offering a dividend yield of ~10.3% as compared to its 5-year average of ~7.6%. KSE-100 continues to trade at a massive discount and offers attractive valuations.

Segment Performance

The portfolio's PBT for the period ended March 31, 2024, stood at Rs. 778.5 million, as against the PBT of Rs. 1.0 million in the corresponding period last year.

The PBT includes unrealised gain Rs. 154.7 million, Dividend income for the period stood at Rs. 619.4 million, including Dividend income from strategic investments in Altern Energy Limited of Rs. 573.3 million.

During 9MFY24, the division's HFT investments recorded a positive ROI of 76.1% on weighted average investments of Rs. 216.3 million whereas the benchmark KSE-100 index increased by 61.6%. Dividend yield for the nine

months period from the HFT portfolio stands at 11.3% ceteris paribus.

UNCONSOLIDATED BALANCE SHEET

Balance sheet footing stood at Rs. 11,619.8 million as of March 31, 2024, compared to Rs. 9,948.3 million on June 30, 2023. Break-up value per share increased to Rs. 90.3 from Rs. 78.8 as of June 30, 2023.

The current ratio increased to 1.53, as compared to 1.28 as at June 30, 2023. Gearing ratio (including short-term borrowings) decreased to 24.7% as compared to 24.9% as at June 30, 2023. Interest cover for H1FY24 was 5.2 times [9MFY23: negative 0.6 times].

Overall Consolidated Financial Performance

On a consolidated basis, operating profit before finance costs and share of profit in equity accounted investees amounted to Rs. 1,559.2 million (9MFY23: Rs. 128.9 million). Consolidated profit after tax for the Group for 9MFY24 was Rs. 1,108.3 million as compared to Rs. 267.1 million in 9MFY23. Consolidated income from investments was Rs. 444.3 million (9MFY23: Rs. 13.0 million) and net share of profit from equity-accounted associates amounted to Rs. 440.6 million (9MFY23: Rs. 385.5 million).

Consolidated EPS of the Group for 9MFY24 was Rs. 14.28 per share as compared to Rs. 3.44 per share respectively in the corresponding period last year. Break-up value per share increased to Rs. 108.17 from Rs. 95.66 as at June 30, 2023.

CONSOLIDATED BALANCE SHEET

On a Group basis, the consolidated balance sheet footing stood at Rs. 13,056.0 million, compared to Rs. 11,302.6 million as at June 30, 2023. Total shareholders' fund increased to Rs. 8,397.4 million from Rs. 7,426.1 million as at June 30, 2023.

FUTURE OUTLOOK

The prevailing environment remains challenging due to political instability and economic challenges. While over the past quarter, after the elections, the environment is expected to improve, in terms of increased political stability and policy measures to improve macro-economic indicators, the foreign exchange reserves crisis persists (although the position has improved, relatively, vis-à-vis imports), and is the primary contributor to the slowdown in economic activity across the board. This coupled with regressive import contraction policies, record-breaking inflation and high interest rates has dampened industrial growth and customer demand across all industries. The engineering sector is especially vulnerable to these challenges as critical raw materials, consumables and spares are imported. Domestically, rising utilities costs, higher financing costs, higher employment costs, and additional taxation have increased input costs for manufacturing and have reduced customer demand. These measures have impacted cashflows and agility of businesses. These challenges are expected to persist through to the end of FY25 and will impede our ability to execute projects in hand, while influencing the velocity with which new projects are issued. While import curbs have significantly enhanced our ability to supply to segments that were generally wholly dependent on imported pipes, such as the oil sector, and have also reduced competition in our existing customer segments from foreign suppliers, these measures have exposed us to supply side shocks and are a major risk to processing orders in hand. Current situation in middle east as the potential of engulfing the region into the conflict has already impacted shipping corridors and has consequently impacted commodity markets; specifically crude and petrochemical product prices have already risen in response, and we expect that the conflict will have significant impact on business as usual, for some time.

On the other hand, the pent-up demand for natural gas transmission and distribution lines bodes well for the industry as significant gas infrastructure projects (for both replacement and new pipeline routes) are expected in the upcoming fiscal.

In Q4FY24, we shall continue manufacturing balance quantities against our in-process orders of K-IV Greater Karachi Bulk Water Supply Project and gas sector for different diameter pipes. In addition, we will execute in-hand orders for bare pipe for gas companies.

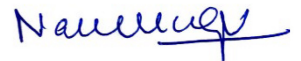
We have also seen some line pipe demand in the Oil & Gas and water segment, bidding and awards against these projects are expected in due course of time and if we are successful in our bids, these may be executed in FY25.

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

April 29, 2024

ڈائریکٹر رپورٹ

آپ کی کمپنی کے ڈائریکٹر ذمہ داری سرسٹ کے ساتھ بالترتیب کمپنی اور گروپ کی غیر منقسم اور منقسم مالیاتی دستاویزات بابت نو ماہی اختتامیہ 31 مارچ 2024 آپ کی خدمت میں پیش کر رہے ہیں۔

معاشی منظر نامہ

رواں مالی سال کے آغاز سے اب ہم بہت آگے بڑھ چکے ہیں، یہ سال سیاسی اور معاشی غیر یقینی صورتحال سے بھرپور ہے۔ ستمبر 2023 میں پاکستانی روپے تاریخ کی کم ترین سطح یعنی 307.75 روپے فی ڈالر کی حد تک گر چکا تھا اور معمول کے کاروباری امور کو چلانے کیلئے پاکستان کے پاس ذرمبادلہ کے مطلوبہ ذخائر بھی موجود نہ تھے، اس کے نتیجے میں کاروباری سرگرمیوں میں سست روی کی پالیسی اپنایا پڑی۔ ایک ایسا وقت بھی آیا کہ ایل سی کھولنے کیلئے 100% اپ فرنٹ نقدی کی ضرورت تھی لیکن اس کے ساتھ ہی پالیسی ریٹس 22% کی سطح پر غیر تبدیل شدہ رہے اور افراط زر کی شرح مالی سال 2024 کی نو ماہی کے دوران 27% رہی۔ اس بات کے شواہد موجود ہیں کہ روک تھام کی پالیسی نے کام کیا اور مارکیٹ کی جانب سے پلچل بھی نظر آئی، بنیادی اصلاحات (ٹیکس / آمدن، توانائی، ایس او ایز وغیرہ) کے سبب بے تابی سے منتظر ہیں اور ان اقدامات کو بہت سراہا جائے گا۔

مالی سال 2024 کیلئے پاکستان کی کل بیرونی فنانسنگ کی ضروریات 24.3 بلین ڈالر یا تو ادا کئے جاسکتے ہیں یا انھیں رول اوور کیا جاسکتا ہے اور اب کل واجب الادا رقم 3.5 بلین ڈالر ہے۔ تاہم پاکستان کی بیرونی رقم کی ترسیل معاشی صورتحال کیلئے تشویش ناک ہے اور پاکستان بیرونی دھچکوں کی زد میں ہے۔ اب بیرون ملک سے ترسیلات زر بھی زرمبادلہ میں اہم کردار ادا کر رہے ہیں۔

شرح سود کو مد نظر رکھتے ہوئے کہا جاسکتا ہے کہ مالی سال 2024 میں مالیاتی خسارہ جی ڈی پی کے 8% تک ہو سکتا ہے، رواں مربوط مالیاتی اقدامات کے پیش نظر بنیادی خسارہ مالی سال 2024 میں جی ڈی پی کے 0.1% تک گر سکتا ہے۔

اس پس منظر میں مالی سال 2025 کا بجٹ ایک مشکل بجٹ ہو سکتا ہے تو قیاس ہے کہ معیشت کو شدید بحران سے محفوظ رکھنے کیلئے یہ بجٹ طلب میں سست روی کی حوصلہ افزائی کرے گا اور اسٹیٹ اکائومی کے حجم میں کمی اور ٹیکس اصلاحات کے ساتھ اس مالیاتی خسارے پر قابو پایا جائے گا۔

مارچ 2024 میں افراط زر کی شرح میں کمی آئی ہے اور افراط زر کی شرح 20.7% تک گر گئی اور اس طرح مسلسل تین ماہ میں افراط زر کی شرح گواہ کیا گیا۔ جنوری 2021 کے بعد سے اب حقیقی شرح سود میں مثبت رجحان دیکھنے کو ملا۔ مئی 2023 میں افراط بلند ترین سطح یعنی 38.0% رہنے کے باوجود بھی نومبر کے دوران افراط زر کی اوسط ماہانہ شرح 27.25% رہی ہے۔ مارچ کے وسط تک اسٹیٹ بینک آف پاکستان کی جانب سے ریٹ کو 22% تک برقرار رکھا گیا مالی سال 2024 میں افراط زر کی شرح کو 23% سے 25% کے درمیان رکھا جائے اور ستمبر 2025 تک 5% سے 7% لایا جائے۔

فی الوقت کرنٹ اکاؤنٹ خسارہ کم ہو کر 1 بلین ڈالر تک آچکا ہے اور روپے کی قدر میں 2.81% تک اضافہ ہوا ہے۔ مارچ کے مہینے میں زرمبادلہ کے ذخائر 13.78 بلین ڈالر تھے اور اس کے ساتھ ہی بیرون ملک سے ترسیلات زر میں معمولی سے اضافے کے بعد ترسیلات 21.0 بلین ڈالر رہیں۔ اگر فروری 2023 کے مقابلے میں دیکھا جائے تو میں فروری 2024 میں کرنٹ اکاؤنٹ میں 128 بلین ڈالر زائد تھے جبکہ فروری 2023 میں اس اکاؤنٹ میں 50 بلین ڈالر کا خسارہ تھا۔

کل لیکو ڈز مبالغہ کے ذخائر 13.78 بلین ڈالر درج کئے گئے تھے جس میں اسٹیٹ بینک آف پاکستان کے 8.04 بلین ڈالر بھی شامل تھے۔ مالی سال 2024 کی نوامی کے دوران تجارتی خسارہ گھٹ کر 17.03 بلین ڈالر ہو گیا جبکہ یہ خسارہ 22.09 بلین ڈالر تھا (یعنی اس خسارے میں 24.94% کی کمی واقع ہوئی ہے)۔ مجموعی طور پر اضافے کے بعد برآمدات کا حجم 22.91 بلین ڈالر رہا (یعنی 18% اضافہ ہوا) جبکہ درآمدات کا حجم 39.94 بلین ڈالر رہا (یعنی 8.65% کی کمی واقع ہوئی)۔

آمدن (بابت جولائی تا جنوری) میں 57% کا اضافہ ہوا جس کے پس منظر میں مالیاتی نظام کو مربوط بنانے کیلئے اٹھائے جانے والے اقدامات اور ٹیکس اصلاحات شامل ہیں، یہ آمدن 4.40 ٹریلین روپے رہی جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران آمدن کا حجم 2.80 ٹریلین روپے تھا۔ البتہ بلند شرح سود کی وجہ سے اخراجات میں 49% اضافہ ہوا اور اس اضافے کے ساتھ اخراجات کا حجم 7.53 ٹریلین روپے رہا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران اخراجات کا حجم 5.06 ٹریلین روپے درج کیا گیا تھا، یعنی مالیاتی خسارے میں اضافہ ہوا ہے۔

گزشتہ مالی سال کے مقابلے میں بنیادی میزائینے میں اضافہ ظاہر ہوا ہے اور اس اضافے کے ساتھ کل حجم 1.93 ٹریلین روپے ہے جو کہ گزشتہ مالی سال کے اسی عرصے کے دوران 0.9 ٹریلین روپے درج کیا گیا تھا۔ نتیجتاً، مالی سال 2024 کے پہلے سات ماہ کے دوران مالیاتی خسارہ بڑھ کر 2,721 بلین روپے تک جا پہنچا (جو کہ جی ڈی پی کا 2.6% تھا) جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ خسارہ 1,974 بلین روپے (یعنی جی ڈی پی کا 2.3%) تھا۔

ان تمام مسائل کے باوجود، بڑے پیمانے کی صنعتوں کی پیداوار میں جولائی تا فروری 0.51% کی معمولی سے کمی واقع ہوئی ہے (گزشتہ مالی سال کے اسی عرصے کے دوران یہ کمی 5.56% درج کی گئی تھی)۔ اسی طرح بڑے پیمانے کی صنعتوں میں فروری 2024 میں 0.06% کا معمولی سا اضافہ درج کیا گیا ہے جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران 2.6% کی گراؤ درج کی گئی تھی، 22 میں سے 12 سیکٹر کی جانب سے اضافے کی رپورٹس حاصل ہوئی ہیں۔

طویل المدتی نشوونما اور استحکام کیلئے لازم ہے کہ مالیاتی اور معاشی مسائل سے متعلق اصلاحات کی چائیں اور کئی معاشی محاذ پر کافی اقدامات کی وجہ سے کاروباری میں کمی کے خطرات اپنی جگہ موجود ہیں۔

مالیاتی کاروباری کارکردگی

مجموعی غیر یکجا معاشی کارکردگی

زیر نظر 31 دسمبر 2024 کو ختم ہونے والی نوامی (2024) کے دوران کمپنی کا بعد از ٹیکس منافع 1,043.5 بلین روپے رہا جبکہ گزشتہ مالی سال (2023) کے اسی عرصے کے دوران کمپنی کو 102.3 بلین روپے کا نقصان ہوا تھا جس کا سہرا بنیادی طور پر اسٹیل ڈویژن اور سرمایہ کاری سے حاصل ہونے والے ڈیویڈنڈ کو جاتا ہے۔ مالی سال 2024 کی نوامی کے دوران فی حصص آمدن 13.44 روپے درج کی گئی ہے جبکہ مالی سال 2023 کی نوامی کے دوران 1.01 روپے فی حصص نقصان درج کیا گیا تھا۔

مالی سال 2024 کی نوامی کے دوران آمدن از فروخت 5,660.6 بلین روپے رہی (بمطابق نوامی 2023 یہ آمدن 4,098.5 بلین روپے تھی) (فروخت شدہ مصنوعات کی پیداواری لاگت 4,067.0 بلین روپے تھی) (بمطابق نوامی 2023 یہ لاگت 3,124.3 بلین تھی)، اس آمدن سے 1,592.8 بلین روپے کا خام منافع حاصل ہوا (بمطابق نوامی 2023 خام منافع 365.7 بلین روپے تھا)، یعنی خام منافع کل فروخت کا 28.1% بنتا ہے جبکہ نوامی 2023 میں یہ تناسب 10.5% تھا۔

کاشن ڈویژن، حدید (بلٹ) ڈویژن اور سی ایس انرجی ڈویژن مالی سال 2024 کی نوامی کے دوران آپریشنل نہیں تھے کیونکہ اس عرصے کے دوران ان پلانٹس کو چلا ناممکن تھا۔ کاشن ڈویژن کی جانب سے قبل از ٹیکس 141.1 ملین روپے نقصان درج کیا گیا ہے، جبکہ حدید (بلٹ) ڈویژن اور سی ایس کی جانب سے 110.8 ملین روپے کا نقصان درج کیا گیا ہے اس نقصان کی بنیاد پر اس عرصے کے دوران غیر متغیر لاگت بشمول غیر نفوذ دما (فرسودگی اور معافی) ہیں جن کی مالیت 83.4 ملین روپے بنتی ہے۔

نوامی 2024 کے دوران کمپنی کا منافع قبل از ٹیکس 1,551.2 ملین روپے ہے، جبکہ نوامی 2023 کے دوران نقصان قبل از ٹیکس 102.3 ملین روپے تھا۔ نوامی 2024 میں ٹیکس چارج 507.7 ملین روپے ہے (اس میں رواں ٹیکس چارج 336.4 ملین روپے بشمول سپر ٹیکس 157.6 ملین روپے اور مؤخر ٹیکس 171.3 ملین روپے شامل ہے)۔

کمپنی کی غیر یکجا، مرکب عیوری مالیاتی دستاویزات کے مطابق کاروباری نتائج

☆ آمدن از فروخت نوامی 2023 کے دوران 3,490.0 ملین روپے کے مقابلے میں 62.2% اضافے کے بعد 5,660.6 ملین روپے ہو چکی ہے۔

☆ ششماہی 2023 کے دوران آمدن از سرمایہ کاری 16.2 ملین روپے درج کی گئی اور اس کے مقابلے میں زیر نظر نوامی کے دوران یہ آمدن 805.1 ملین روپے درج کی گئی ہے۔ (اس آمدن میں آلٹرن انرجی سے حاصل ہونے والی ڈیڈنڈ کی آمدن 573.3 ملین روپے بھی شامل ہے)۔

☆ خام منافع 1,592.8 ملین روپے درج کیا گیا ہے جبکہ نوامی 2023 کے اختتام پر 365.7 ملین روپے کا خام منافع درج کیا گیا تھا۔

☆ نوامی 2024 کے اختتام پر منافع قبل از سود و ٹیکس 1,917.9 ملین روپے درج کیا گیا ہے جبکہ گزشتہ مالی سال کی نوامی کے دوران قبل از سود و ٹیکس منافع 136.3 ملین روپے درج کیا گیا تھا۔

☆ آمدن قبل از سود و ٹیکس 2,114.7 ملین روپے درج کی گئی ہے جبکہ نوامی 2023 کے اختتام پر آمدن قبل از سود و ٹیکس 309.3 ملین روپے درج کی گئی تھی۔

☆ نوامی 2024 میں لگائے گئے اوسط سرمائے (سالانہ) پر حاصل ہونے والا منافع 15.7% تھا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ شرح 1.3% تھی۔

☆ مالی سال 2024 کی نوامی کے دوران آمدن فی حصہ 13.44 روپے درج کی گئی ہے جبکہ مالی سال 2023 کی نوامی کے دوران نقصان فی حصہ 1.01 روپے درج کیا گیا تھا۔

کاروباری شعبے

اسٹیل کا شعبہ

نومایہ 31 مارچ 2024 کے اختتام پر اسٹیل کے شعبے کی آمدن گزشتہ مالی سال کے مقابلے میں بڑھ کر 5,605.3 ملین روپے ہے جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ آمدن 2,420.9 ملین روپے درج کی گئی تھی۔ زیر نظر نومایہ کے اختتام پر خام منافع 1777.5 ملین روپے درج کیا گیا ہے یعنی 31.7% جبکہ گزشتہ مالی سال 2023 کی نومایہ کے دوران 511.9 ملین روپے کا منافع درج کیا گیا تھا جو کہ 21.1% تھا۔ منافع قبل از ٹیکس زیر نظر نومایہ کے دوران 1,024.7 ملین روپے رہا (بمطابق نومایہ 2023 منافع قبل از ٹیکس 118.7 ملین روپے تھا) جبکہ تخمینے کے مطابق یہ منافع 1,368.2 ملین روپے متوقع تھا۔

ہماری جانب سے 35 کلومیٹر کوئٹہ اسٹیل لائن پائپس 16 اور 20 انچ قطر کے اور 46 کلومیٹر صرف اسٹیل لائن پائپس 16 اور 24 انچ قطر گیس سیکر کو سیلان کی گئی ہیں۔ اسی عرصے کے دوران ہماری جانب سے 47 کلومیٹر 84 اور 68 انچ قطر کے پائپس گریڈ کراچی K-IV منصوبے پر ویکٹ کیلے سیلان کی گئی ہے۔ گریڈ کراچی K-IV منصوبے سے حاصل ہونے والی آمدن 2,007.2 ملین روپے میں 8 انچ آرسی کی لاگت شامل نہیں ہے۔ تخمینہ شدہ آمدن 2,872.4 ملین روپے زائد ہوگی۔ اسی عرصے کے دوران 8 انچ قطر کی 104 کلومیٹر پائپ لائن کی بیرونی کوٹنگ کا کام بھی کیا گیا۔

آئی آئی ڈی کا شعبہ

مارکیٹ کا جائزہ

سرمایہ کاروں کے بڑھتے ہوئے اعتماد، افراط زر کی شرح میں کمی، ریش میں کمی اور زرمبادلہ کے ذخائر میں اضافے کے پیش نظر اور خوش آئند ویلیوشن کے تناظر میں KSE-100 کی جانب سے مالی سال 2024 کی نومایہ کے دوران منافع کمانے کا سلسلہ جاری رہا اور 7.3% کی شرح (بمطابق ڈالر 8.8%) سے منافع کمایا گیا اور مارکیٹ مارچ کے مہینے میں 67,005 پوائنٹس پر بند ہوئی، جو کہ ماہانہ بنیادوں پر 3.8% اور چھٹی۔ زیر نظر نومایہ کے دوران مارکیٹ انڈیکس 25,552 پوائنٹس کے ساتھ اوپر تھا اور مالی سال کے آغاز سے 41,452 پوائنٹس کے مقابلے میں 61.64% زائد تھا۔ مارچ کے مہینے میں انڈیکس 67,246 پوائنٹس کے ساتھ بلند ترین سطح پر تھا۔ جبکہ کلیڈر کے مطابق مارکیٹ 4,554.06 پوائنٹس یا 6.91% اوپر تھی۔

مؤرخہ 29 مارچ 2024 کو آل شیئر مارکیٹ کی پھیلاؤ نیشن 9.47 ٹریلین روپے/ 33.8 بلین ڈالر تھی، 3 جولائی 2023 کو اپنے آغاز سے 3.08 ٹریلین/ 1.84 بلین ڈالر (48.33%/ 54.20%) اپ رہی اور کلیڈر کی بنیاد پر 0.38 ٹریلین روپے/ 1.84 بلین ڈالر (4.25%/ 5.71%) درج کیا گیا ہے۔ اگر اسے تاریخ کی بلند ترین سطح مئی 2017 کے مقابلے میں دیکھا جائے تو مارکیٹ کیپ 10.45 ٹریلین روپے/ 99.7 بلین ڈالر پر نظر آئے گی جو کہ بمطابق ڈالر 66% اور بمطابق روپے 9.4% نیچے ہے۔

ختم ہونے والی میں ایک نئی حکومت نے ملک کی باگ ڈور سنبھالی ہے اور آئی ایم ایف کے ساتھ ایک کامیاب ریویو بھی کیا ہے۔ افراط زر میں کمی، بیرونی صورتحال، مستحکم نشوونما اور جاری اصلاحات کے پیش نظر مثبت توقعات اپنی جگہ قائم ہیں۔

بلند شرح سود کے باوجود سال بہ سال کی بنیاد پر مارکیٹ کی شرکت میں اضافہ ہوا ہے جس میں مثبت سوچ نے بڑا کردار ادا کیا ہے۔ زیر نظر نوماہی کے دوران آل شیئر انڈیکس کا اوسط تجارتی حجم 453.25 ملین شیئر زیو میڈیا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران 122.54% اپ تھا۔ اسی طرح اوسط زیو میڈیا کا تجارتی حجم 14.40 ملین روپے تھا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ حجم 6.60 ملین روپے درج کیا گیا تھا جو کہ 7.80 ملین روپے یا 20.20% اپ تھا۔

زیر نظر نوماہی کے دوران غیر ملکی ترسیلات کا حجم 74.88 ملین ڈالر (21.23 ملین روپے) درج کیا گیا ہے جبکہ گزشتہ مالی سال 2023 کی نوماہی کے دوران یہ ترسیلات مسلسل 7.20 ملین ڈالر (1.63 ملین روپے) تھیں۔ جبکہ نوماہی 2022 کے دوران باہر جانے والی رقم کا حجم 271.13 ملین ڈالر (46.59 ملین روپے) اور نوماہی 2021 میں یہ حجم 295.12 ملین ڈالر (47.82 ملین روپے) تھا۔ مقامی سطح پر مارکیٹ میں کاروبار کچھ اس طرح تھا کہ سب سے زیادہ بینکوں کی جانب سے 112.59 ملین ڈالر، اس کے بعد میوچل فنڈز (54.64 ملین ڈالر)، اس کے بعد بروکرز (25.78 ملین ڈالر) پھر دیگر ادارے (17.05 ملین ڈالر) اور سب سے آخر میں افراد (15.85 ملین ڈالر) کا کاروبار کیا گیا۔ اس تمام کاروبار میں سب سے زیادہ حصہ انشورنس کمپنیوں کا رہا جن کی جانب سے 120 ملین ڈالر اور اس کے بعد کارپوریٹیشنز جن کا حصہ رہا جن کی جانب سے 30.53 ملین ڈالر کا کاروبار کیا گیا۔

فی الوقت KSE-100 4.2 تناسب P/E فارورڈ اور 3.5 تناسب P/E پر کاروبار کر رہا ہے جبکہ انڈیکس کے گزشتہ پانچ سال کا اوسط 5.6 اور 8 کا تناسب بنتا ہے۔ اس طرح انڈیکس کی جانب سے تقریباً 10.3% کا ڈیویڈنڈ دیا جا رہا ہے جبکہ گزشتہ پانچ سال کا اوسط منافع 7.6% بنتا ہے۔ KSE-100 انڈیکس بڑے ڈسکاؤنٹ پر تجارت کر رہا ہے اور اس کی جانب سے بہت پرکشش ویلیویشن پیش کی جا رہی ہیں۔

شعبے کی کارکردگی

مالی سال 2024 کی نوماہی کے اختتام پر پورٹ فولیو کا منافع قبل از ٹیکس 778.5 ملین روپے درج کیا گیا ہے، جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران منافع قبل از ٹیکس 1.0 ملین روپے درج کیا گیا تھا۔

منافع قبل از ٹیکس ڈیویڈنڈ سے حاصل ہونے والی آمدن 619.4 ملین روپے، آمدن برہمنی تخمینہ 154.7 ملین روپے پر مشتمل ہے جس میں آلٹرن ایڈجی لیٹڈ میں کی جانے والی اہم سرمایہ کاری سے حاصل شدہ 573.3 ملین روپے کا ڈیویڈنڈ نفع بھی شامل ہیں۔

نوماہی 2024 کے دوران شعبے کی جانب سے کی گئی ایچ ایف ٹی سرمایہ کاری پر حاصل ہونے والے ROI کی شرح 76.1% درج کی گئی ہے جو کہ ویڈیا یوریٹیج 216.3 ملین روپے کی سرمایہ پر ہے جبکہ KSE-100 انڈیکس میں 61.6% کے تناسب سے اضافہ ہوا ہے۔ دیگر حالات بدستور رہنے کی صورت میں، زیر نظر ششماہی کے دوران ایچ ایف ٹی پورٹ فولیو پر ڈیویڈنڈ کی آمدن 11.3% یا رڈ کی گئی ہے۔

غیر مرکجا بیلنس شیٹ

بتاریخ 31 مارچ 2024 بیلنس شیٹ کا میزانیہ 11,619.8 ملین روپے تھا جبکہ 30 جون 2023 کو بیلنس شیٹ کا میزانیہ 9,948.3 ملین روپے تھا۔ فی حصص بریک اپ ویلیو برائے حصص بڑھ کر 90.3 روپے ہو گئی جو کہ 30 جون 2023 کو 78.8 روپے تھی۔

کرنٹ ریشو بڑھ کر 1.53 ہو گیا جبکہ 30 جون 2023 کو 1.28 تھا۔ گئیرنگ ریشو (بشمول قلیل المیعا قرضے) کم ہو کر 24.7% تک آ گیا جو کہ 30 جون 2023 کو 24.29% تھا۔ انٹرسٹ کو ریشو ششماہی 2024 کا ختم پر 5.2 گنا تھا (نوماہی 2023 کا ختم پر یہ ریشو منفی 0.6 گنا تھا)۔

مجموعی مربوط مالیاتی کارکردگی

کیجائیا دوں پرتومیلی لاگت سے قبل کاروباری منافع اور ایکویٹی سے حاصل ہونے والا حصص منافع 1,559.2 ملین روپے درج کیا گیا ہے (بمطابق نوماہی 2023 یہ نقصان 128.9 ملین روپے تھا)۔ گروپ کا کیجا منافع بعد از ٹیکس برائے نوماہی 2024 کا ختم پر 1,108.3 ملین روپے درج کیا گیا تھا جبکہ نوماہی 2023 کا ختم پر بعد از ٹیکس منافع 267.1 ملین روپے درج کیا گیا تھا۔ سرمایہ کاری سے حاصل ہونے والی کیجا آمدن 444.3 ملین روپے درج کی گئی ہے (بمطابق نوماہی 2023 یہ آمدن 13.0 ملین روپے تھی)۔ کیجیوٹی اکاؤنڈ ایسوسی ایٹس کی جانب سے ملنے والا ڈیویڈنڈ 440.6 ملین روپے درج کیا گیا ہے (بمطابق نوماہی 2023 یہ آمدن 385.5 ملین روپے تھی)۔

کیجا آمدن فی حصص برائے گروپ نوماہی 2024 کا ختم پر 14.28 روپے درج کیا گیا ہے جبکہ گزشتہ مالی سال اسی عرصے کے دوران نقصان فی حصص 3.44 روپے درج کیا گیا تھا۔ بریک اپ ویلیو فی حصص 108.17 روپے تھی جو کہ 30 جون 2023 تک 95.66 روپے درج کی گئی تھی۔

کیجا بیلنس شیٹ

گروپ کی بنیاد پر مربوط بیلنس شیٹ کا میزانیہ 13,056.0 ملین روپے رہا جبکہ 30 جون 2023 کو یہ میزانیہ 11,302.6 ملین روپے تھا۔ حصص داران کا کل فنڈ 30 جون 2023 کو 7,426.1 ملین روپے سے بڑھ کر 8,397.1 ملین روپے ہو چکا ہے۔

مستقبل پر نظر

سیاسی عدم استحکام اور معاشی مسائل کی وجہ سے موجودہ حالات کافی مشکل ہیں۔ گوکہ گزشتہ سہ ماہی کے بعد انتخابات کے نتیجے میں اس بات کی توقع تھی کہ کاروباری میں بہتری آئے گی۔ امید تھی کہ سیاسی استحکام میں اضافہ ہوگا، اور یہ کہ بنیادی پالیسی اقدامات اٹھائے جائیں تاکہ کئی معاشی اشارے بھی بہتری کی جانب گامزن ہوں، زرمبادلہ سے متعلق بحران بھی موجود ہے (گوکہ حالات میں درآمدات کے مقابلے میں کچھ بہتری بھی آئی ہے)۔ اور معاشی میدان میں بالخصوص اور بالعموم تمام شعبوں میں سست روی کا مظاہرہ دیکھنے کو ملا ہے۔ ان حالات کے ساتھ ساتھ درآمدات میں کمی کی پالیسی، انتہائی بلند شرح افراط زر اور بلند ترین شرح سود و عوادل ہیں جن کے باعث صنعتی نشوونما بری طرح متاثر ہوئی ہے اور تمام صنعتی شعبوں میں طلب پر بھی منفی اثرات مرتب ہوئے ہیں۔ بالخصوص انجینئرنگ کا شعبہ بری طرح متاثر ہوا ہے کیونکہ خام مال، اشیا، صرف اور فاضل پرزہ جات کو درآمد کیا جاتا ہے۔ مقامی سطح پر ٹیکنی بلز میں ہوشربا اضافے، تھوہلی لاگت میں اضافے، ملازمین کے بڑھتے ہوئے اخراجات اور اضافی ٹیکسوں کے بوجھ نے صنعتی شعبے میں پیداواری لاگت کو کافی بڑھا دیا ہے جس کے باعث صارفین کی جانب سے طلب میں بہت کمی واقع ہوئی ہے۔ ان عوامل کی وجہ سے نقد قوم کی ترسیل اور کاروبار کی استعداد بھی متاثر ہوئی ہے۔ توقع ہے کہ یہ حالات مالی سال 2025 کے آخر تک اسی طرح موجود رہیں گے اور ہمارے پاس موجود پرفیکٹس کی تکمیل میں ہمیں وقت پیش آئے گی اور نئے پرفیکٹس کے اجرا، بھی سست روی کا شکار ہونگے۔ البتہ امپورٹ کلب نے شعبے کو کی جانے والی سپلائی سے متعلق ہماری قابلیت میں اضافہ ہوگا جس میں اس سے پہلے محض درآمد شدہ پائپس پر ہی بھروسہ کیا جاتا تھا، جیسا کہ آئل سیکٹر، اسی طرح بیرون ملک سے درآمد کرنے والے غیر ملکی سپلائرز کی غیر موجودگی کی وجہ سے مقامی سپلائرز میں مسابقت کی فضاء میں کمی آئی

ہے۔ ان اقدامات کی وجہ سے ہم سپلائی سائڈ کے رسک کے سامنے کمزور پڑ رہے ہیں اور اس طرح ہمارے پاس موجود آرڈرز کی تکمیل مشکلات پیش آسکتی ہیں۔ خلیجی ممالک میں مستقبل قریب میں ہونے والا اقتصاد شکنگ انڈسٹری کو بر طرح متاثر کر چکا ہے، اس سے اشیاء کی مارکیٹ پر منفی اثرات مرتب ہوئے بالخصوص خام تیل، پیٹر و کیمیکل کی مصنوعات کی قیمتیں پہلے سے بہت بڑھ چکی ہیں۔ ہمیں توقع ہے کہ اس قسم کے تصادم میں منفی اثرات کاروبار پر مرتب ہوں گے، لیکن یہ کہ ایسی صورتحال طویل عرصے تک نہ چل پائے گی۔

جبکہ دوسری جانب قدرتی گیس کی ترسیل اور تقسیم کی لائنوں کی طلب میں اضافہ صنعت کے لیے ایک مثبت پیش رفت ہے کیونکہ گیس کے بنیادی ڈھانچے کا ہم منصوبے (نئے پائپ لائن روٹس اور متبادل دونوں ہی) آنے والے مالی سال میں متوقع ہیں۔

مالی سال 2024 کی چوتھی سہ ماہی میں، ہم K-IV کے گریڈ کراچی بلک واٹر سپلائی پروجیکٹ اور مختلف قطر کے پائپس کے لیے گیس سیکٹر کے موجودہ آرڈرز پر کام جاری رکھیں گے۔ علاوہ ازیں گیس کمپنیوں کے لیے سادہ پائپس کے موجودہ آرڈرز پر بھی ہماری جانب سے کام جاری رکھا جائے گا۔

ہماری جانب سے آئل اینڈ گیس اور پانی کے شعبوں میں کچھ لائن پائپس کی طلب کی نشا ندہی بھی کی گئی ہے، وقت کے ساتھ ان پروجیکٹس کے حق میں بولی اور ایوارڈز متوقع ہیں اور اگر ہم اپنی بولیوں پر کامیاب ہو جاتے ہیں تو یہ آرڈرز مالی سال 2025 میں مکمل ہونے کی توقع ہے۔

میں تمام شراکت داروں کا تہ دل سے مشکور ہوں اور امید کرتا ہوں کہ آئندہ بھی ان حمایت ہمارے شامل حال رہے گی۔

برائے و منجانب بورڈ آف ڈائریکٹرز

ندیم مقبول

ڈائریکٹر

احسان ایم سلیم

چیف ایگزیکٹو

مؤرخہ 29 اپریل 2024

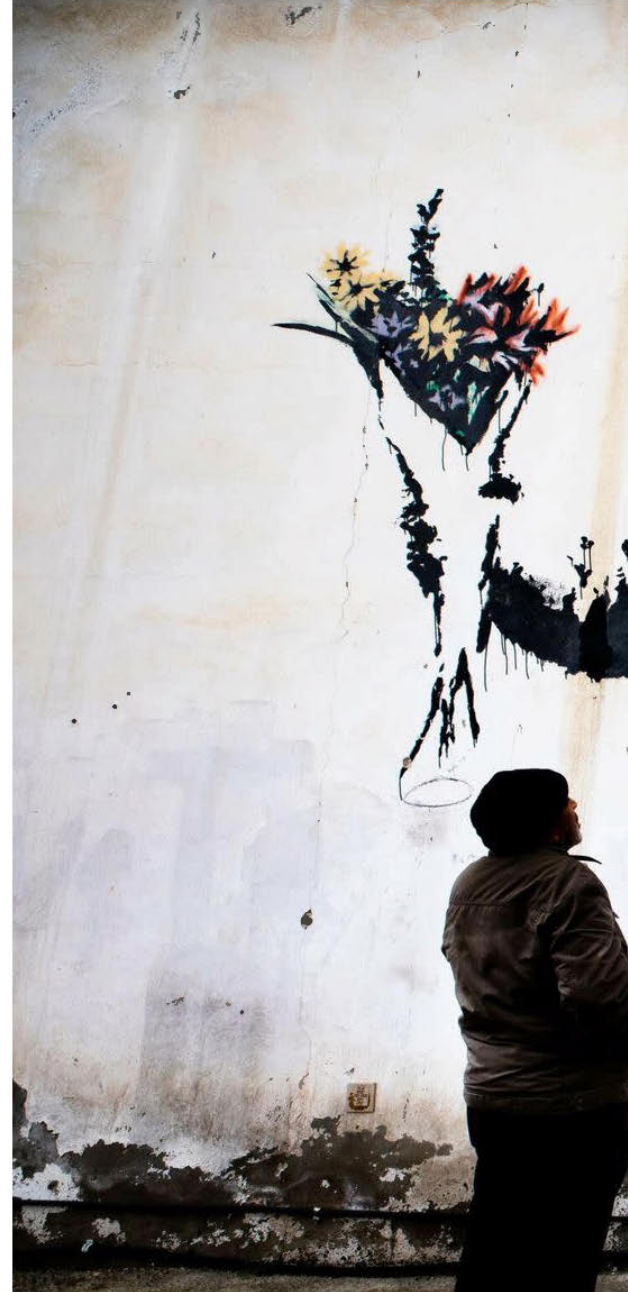
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STREET ART 1970.....

Street art is visual art created in public locations for public visibility. Street art is associated with the terms "independent art", "post-graffiti", "neo-graffiti", and guerrilla art.

BANKSY

Title: Love Is In The Air







CRESCENT STEEL AND ALLIED PRODUCTS LIMITED


UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 31, 2024

Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Financial Position (Unaudited)
As at March 31, 2024

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,155,940	2,437,568
Right-of-use assets		240,857	82,852
Intangible assets		77	1,427
Investment properties		54,055	55,030
Long term investments	6	2,589,695	2,544,677
Long term deposits	7	71,451	27,143
Deferred taxation - net		704,955	876,358
		5,817,030	6,025,055
Current assets			
Stores, spares and loose tools		415,728	339,707
Stock-in-trade	8	2,200,996	1,268,967
Trade debts	9	1,902,846	464,043
Loans and advances	10	269,978	285,286
Trade deposits and short term prepayments		15,180	13,644
Short term investments	11	360,331	552,382
Other receivables	12	105,931	295,730
Taxation - net		317,558	673,200
Cash and bank balances		214,188	30,266
		5,802,736	3,923,225
Total assets		11,619,766	9,948,280
EQUITY AND LIABILITIES			
EQUITY			
Share capital and reserves			
Authorized capital			
100,000,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital		776,325	776,325
Capital reserves		1,020,908	1,020,908
Revenue reserves		5,211,351	4,322,199
		7,008,584	6,119,432
LIABILITIES			
Non-current liabilities			
Long-term loans	13	290,783	424,748
Lease liabilities		227,914	62,424
Deferred income		3,433	3,837
Deferred liability - staff retirement benefits		300,199	279,790
		822,329	770,799
Current liabilities			
Trade and other payables	14	1,660,441	1,389,065
Unclaimed dividend		27,069	16,081
Mark-up accrued		102,547	78,369
Short term borrowings	15	1,694,600	1,289,519
Current portion of long-term loans	13	270,205	270,228
Current portion of lease liabilities		33,453	14,249
Current portion of deferred income		538	538
		3,788,853	3,058,049
		4,611,182	3,828,848
Contingencies and commitments	16		
Total equity and liabilities		11,619,766	9,948,280

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


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For the quarter and nine months ended March 31, 2024

	Note	Quarter ended		Nine months ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- (Rupees in '000) -----					
Sales	17	1,632,251	1,523,448	6,680,098	4,098,472
Less: Sales tax		249,033	249,880	1,019,462	608,424
		1,383,218	1,273,568	5,660,636	3,490,048
Cost of sales		1,135,908	918,495	4,067,868	3,124,326
Gross profit		247,310	355,073	1,592,768	365,722
Income from investments - net	18	39,434	13,097	800,243	16,159
		286,744	368,170	2,393,011	381,881
Distribution and selling expenses		46,448	4,899	93,405	18,210
Administrative expenses		109,285	97,297	349,633	261,195
Other operating expenses	19	6,396	12,336	121,349	12,336
		162,129	114,532	564,387	291,741
		124,615	253,638	1,828,624	90,140
Other income		34,522	13,758	89,440	46,142
Operating profit before finance costs		159,137	267,396	1,918,064	136,282
Finance costs	20	100,740	93,038	366,671	238,626
Profit / (loss) before taxation		58,397	174,358	1,551,393	(102,344)
Taxation					
- current for the period		(16,059)	(18,707)	(336,393)	(49,218)
- current for prior year		-	-	-	782
- deferred		(2,805)	(34,176)	(171,301)	72,610
		(18,864)	(52,883)	(507,694)	24,174
Profit / (loss) for the period		39,533	121,475	1,043,699	(78,170)
Other Comprehensive Income/ (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)		436	(82)	718	(3,693)
Total comprehensive income / (loss) for the period		39,969	121,393	1,044,417	(81,863)
----- (Rupees) -----					
Earnings / (loss) per share - Basic and diluted	21	0.51	1.56	13.44	(1.01)

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


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited

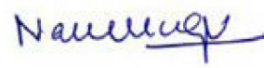
Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)

For the nine months ended March 31, 2024

	Issued, subscribed and paid-up capital	Capital reserves Share premium	Revenue reserves			Total revenue reserves	Total
			Fair value reserve	General reserve	Unappropriated profit / (loss)		
	----- (Rupees in '000) -----						
Balance as at June 30, 2022	776,325	1,020,908	3,913	3,642,000	655,265	4,301,178	6,098,411
Total comprehensive loss for the period							
Loss after taxation for the period	-	-	-	-	(78,170)	(78,170)	(78,170)
Other comprehensive loss for the period	-	-	(3,693)	-	-	(3,693)	(3,693)
Total comprehensive loss for the period	-	-	(3,693)	-	(78,170)	(81,863)	(81,863)
Balance as at March 31, 2023	776,325	1,020,908	220	3,642,000	577,095	4,219,315	6,016,548
Balance as at June 30, 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	-	-	-	-	1,043,699	1,043,699	1,043,699
Other comprehensive income for the period	-	-	718	-	-	718	718
Total comprehensive income for the period	-	-	718	-	1,043,699	1,044,417	1,044,417
Transaction with owners							
Dividend:							
- Interim @ 20% (i.e. Re. 2.00 per share) for the year ended June 30, 2024	-	-	-	-	(155,265)	(155,265)	(155,265)
Balance as at March 31, 2024	776,325	1,020,908	2,327	3,642,000	1,567,024	5,211,351	7,008,584

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


Chief Executive



Director


Chief Financial Officer

Crescent Steel and Allied Products Limited
Condensed Interim Unconsolidated Statement of Cash Flows (Unaudited)
For the nine months ended March 31, 2024

	Note	Nine months ended	
		March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----	
Cash flows from operating activities			
Cash used in operations	22	(619,301)	(116,941)
Taxes refunded / (paid)		19,852	(14,664)
Finance costs paid		(310,401)	(160,792)
Contribution to gratuity and pension funds		(27,204)	(22,220)
Long term deposits - net		(41,819)	(14,984)
Net cash used in operating activities		(978,873)	(329,601)
Cash flows from investing activities			
Capital expenditure		(115,254)	(236,682)
Acquisition of intangible assets		-	1
Proceeds from disposal of operating fixed assets		7,488	18,654
Investments - net		324,698	(486,245)
Dividend income received		614,888	27,339
Interest income received		51,557	348
Net cash generated from / (used in) investing activities		883,377	(676,585)
Cash flows from financing activities			
(Repayments of) / proceeds from long term loans - net		(133,988)	683,281
Proceeds from / (payment against) finance lease obligations		152,602	(34,052)
Proceeds from / (repayments of) short term loans obtained - net		270,841	498,662
Dividend paid		(144,277)	(9,533)
Net cash generated from financing activities		145,178	1,138,358
Net increase in cash and cash equivalents		49,682	132,172
Cash and cash equivalents at beginning of the period		(433,388)	(334,661)
Cash and cash equivalents at end of the period	23	(383,706)	(202,489)

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


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the nine months ended March 31, 2024

1. THE COMPANY AND ITS OPERATIONS

- 1.1** Crescent Steel and Allied Products Limited ("the Company") was incorporated on August 01, 1983 as a public limited company in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) and is listed 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.
- 1.2** The Company operates five segments namely Steel, Cotton, Investment and Infrastructure Development (IID), Energy and Hadeed (Billet) as disclosed in note 24 to these condensed interim unconsolidated financial statements.
- 1.3** These condensed interim unconsolidated financial statements of the Company are the separate financial statements of the Company in which investments in subsidiaries and associates have been accounted for at cost less accumulated impairment, if any.

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, Interim Financial Reporting (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Act.

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

- 2.2** These condensed interim unconsolidated financial statements of the Company do not include all of the information and disclosure required in the annual unconsolidated financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2023. However, selected explanatory notes are included in these condensed interim unconsolidated financial statements 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 annual audited unconsolidated financial statements.
- 2.3** These condensed interim unconsolidated financial statements are presented in Pakistan Rupees which is also Company's functional currency and all financial information presented has been rounded off to the nearest thousand rupees, except other wise stated.

3. SIGNIFICANT 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 annual audited unconsolidated financial statements for the year ended June 30, 2023.

3.2 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED 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 accounting and reporting standards which became mandatory for the Company during the period. However, the amendments 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 Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Company:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, the amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim unconsolidated financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4.2 Estimates and judgements made by management in the preparation of these condensed interim unconsolidated financial statements are the same as those that were applied to the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2023.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	Unaudited March 31, 2024 ----- (Rupees in '000) -----	Audited June 30, 2023
Operating fixed assets	5.1	1,998,293	1,934,813
Capital work-in-progress	5.2	157,647	502,755
		<u>2,155,940</u>	<u>2,437,568</u>

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

	Unaudited Nine months ended March 31, 2024		Unaudited Nine months ended March 31, 2023	
	Additions / Transfers	Disposals / Transfers	Additions / Transfers	Disposals
	----- (Rupees in '000) -----			
Leasehold Land	14,250	-	-	-
Buildings on freehold land	-	-	4,472	-
Buildings on leasehold land	92,766	-	-	-
Plant and machinery - owned	131,002	-	84,481	1,903
Electrical / office equipments and installation	723	86	8,855	1,193
Computers	4,554	2,782	2,472	-
Office premises	561	-	-	-
Motor vehicles - owned	13,422	17,074	45,033	23,098
	<u>257,278</u>	<u>19,942</u>	<u>145,313</u>	<u>26,194</u>

- 5.2 Net transfers from capital work-in-progress during the nine months period ended March 31, 2024 amounted to Rs. 345.108 million (Net additions during the nine months period ended March 31, 2023: Rs. 76.591 million).

6. LONG TERM INVESTMENTS

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
Subsidiary companies - at cost	6.1	705,001	705,001
Associated companies - at cost	6.2	1,286,401	1,286,401
Other long term investments	6.3	598,293	553,275
		<u>2,589,695</u>	<u>2,544,677</u>

6.1 Subsidiary companies - at cost

Unaudited March 31, 2024	Audited June 30, 2023	Unquoted		Unaudited March 31, 2024	Audited June 30, 2023
(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	-	-
100	100	Solution de Energy (Private) Limited (Chief Executive Officer - Mr. Muhammad Saad Thaniana)	6.1.3	1	1
				<u>705,001</u>	<u>705,001</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.
- 6.1.2** This represents investment in subsidiary of Rs. 90 only. The subsidiary company has not commenced operation and accordingly no financial statements have been prepared.
- 6.1.3** This represents the Company's investment in 100% ordinary shares of Solution de Energy (Private) Limited that was acquired through amalgamation on June 30, 2019.

6.2 Associated companies - at cost

Unaudited March 31, 2024 (Number of shares)	Audited June 30, 2023		Note	Unaudited March 31, 2024 ----- (Rupees in '000) -----	Audited June 30, 2023
		Quoted			
60,663,775	60,663,775	Altern Energy Limited (Chief Executive Officer - Mr. Umer Shehzad Sheikh)	6.2.1	595,293	595,293
27,409,075	27,409,075	Shakarganj Limited (Chief Executive Officer - Mr. Muhammad Saifullah)	6.2.2	691,108	691,108
				1,286,401	1,286,401

- 6.2.1** The Company holds 16.69% (June 30, 2023: 16.69%) shareholding in Altern Energy Limited and has representation on its Board of Directors. The Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.
- 6.2.2** The Company holds 21.93% (June 30, 2023: 21.93%) shareholding in Shakarganj Limited and there is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per International Accounting Standard 28.
- 6.2.3** The fair value of investments in associated companies as at March 31, 2024 is Rs. 1,767.497 million (June 30, 2023: Rs. 2,079.447 million).

6.3 Other long term investments

		Note	Unaudited March 31, 2024 ----- (Rupees in '000) -----	Audited June 30, 2023
Fair value through other comprehensive income (FVOCI)	6.3.1		8,115	7,295
Fair value through profit or loss (FVTPL)	6.3.2 & 6.3.3		590,178	545,980
			598,293	553,275

- 6.3.1** This represents investment in The Crescent Textile Mills Limited and the Company 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.

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, 2023: 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. 376.362 million and Rs. 213.816 million (June 30, 2023: Rs. 341.779 million and Rs. 204.216 million) respectively.

7. LONG TERM DEPOSITS

These include security deposit amounting to Rs. 55.664 million (June 30, 2023: Rs. 11.357 million) to leasing companies.

8. STOCK-IN-TRADE

	Unaudited March 31, 2024 ----- (Rupees in '000) -----	Audited June 30, 2023
Raw materials		
Hot rolled steel coils (HR Coils)	451,035	284,762
Coating materials	560,354	328,884
Steel scrap	11,999	11,999
Others	203,996	331,829
Stock-in-transit	814,755	129,198
	<u>2,042,139</u>	<u>1,086,672</u>
Work-in-process	11,040	70,993
Finished goods - net	129,127	111,099
Scrap / cotton waste	18,689	203
	<u>158,857</u>	<u>182,295</u>
	<u>2,200,996</u>	<u>1,268,967</u>

8.1 Stock in trade as at March 31, 2024 includes certain items valued at net realisable value (NRV). Charge in respect of stock written down to NRV was amounting to Rs. 38.636 million (March 31, 2023: Reversal of Rs. 7.414 million) has been recognized in cost of sales.

9. TRADE DEBTS

	Note	Unaudited March 31, 2024 ----- (Rupees in '000) -----	Audited June 30, 2023
Secured			
Considered good		148,767	-
Unsecured			
Considered good	9.1	1,754,079	464,043
Considered doubtful		19,248	18,401
		<u>1,773,327</u>	<u>482,444</u>
Impairment loss on trade debts		<u>(19,248)</u>	<u>(18,401)</u>
		<u>1,902,846</u>	<u>464,043</u>

9.1 This includes amount due from Pak Elektron Limited amounting to Rs. 65.160 million (June 30, 2023: Rs. 40.101 million)

10. LOANS AND ADVANCES

10.1 These include loan due from:

Solution de Energy (Private) Limited	10.1.1	<u>115,681</u>	<u>111,914</u>
--------------------------------------	--------	----------------	----------------

- 10.1.1** The Company has provided short term interest free loan to the wholly owned subsidiary Company in order to meet its requirements for the purposes of feasibility, legal approvals and other related activities in respect of its project of 100 MW Solar Power Plant in Solar Power Park being established by the Government of Punjab in the Cholistan desert. The loan is repayable on demand.

11. SHORT TERM INVESTMENT

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
At amortised cost	11.1	84,360	84,360
At fair value through profit or loss (FVTPL)	11.2 & 11.3	275,971	468,022
		<u>360,331</u>	<u>552,382</u>

- 11.1** This represent investment in term deposit receipt having markup rate of 15.75% per annum and maturing on March 26, 2024.

- 11.2** This represent investments in ordinary shares of listed companies.

- 11.3** Investments having an aggregate market value of Rs. 1,496.904 million (June 30, 2023: Rs. 961.586 million) have been pledged with financial institutions as security against financing facilities (refer note 15.5) out of which amount of Rs. 1,224.013 million (June 30, 2023: Rs. 798.544 million) relates to long term investments.

12. OTHER RECEIVABLES

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
Dividend receivable		5,417	886
Provision there against		(886)	(886)
		<u>4,531</u>	<u>-</u>
Receivable against sale of investments		342	-
Claim receivable		461	461
Due from related parties	12.1	6,699	5,999
Sales tax refundable		3,797	106,973
Margin on letter of credit		10,243	4,137
Margin on letter of guarantee		77,785	175,345
Others		2,073	2,815
		<u>105,931</u>	<u>295,730</u>

12.1 Due from related parties

CS Capital (Private) Limited	1,675	1,079
Solution de Energy (Private) Limited	9	-
The Crescent Textile Mills Limited	90	249
Shakarganj Food Products Limited	3,925	4,070
Crescent Socks (Private) Limited	1,000	600
Premier Insurance Company Limited	-	1
	<u>6,699</u>	<u>5,999</u>

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
13. LONG TERM LOANS			
Secured - shariah arrangement			
Long Term Sukuk Certificates	13.1	533,333	666,667
Less: Transaction Cost	13.1.1	<u>(2,846)</u>	<u>(4,241)</u>
		530,487	662,426
Secured - Under non-shariah arrangement			
JS Bank Limited	13.2	<u>30,572</u>	<u>32,550</u>
		560,988	694,976
Less: Current portion shown under current liabilities		<u>270,205</u>	<u>270,228</u>
		290,783	424,748

13.1 During the year ended June 30, 2023, the Company issued 8,000 unlisted, privately placed & secured Sukuk certificates (SUKUK-Al-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 were received on October 11, 2022. The Sukuk certificates carry profit at the rate of 6-months KIBOR + 2% with semi-annual rental payments having tenure of three years from the issue date on arrear basis. Principal repayments installment will commence from April 2023. During the period, the company has made repayments of Rs. 133.333 millions of the principal amount. During the period, profit on such arrangement ranged from 24.08% to 24.76%(March 31, 2023: 17.78%) per annum.

13.1.1 This represents the cost incurred with respect to issuance of SUKUK certificates, amortized using effective interest rate.

13.2 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 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 this arrangement is 8.47 to 11.35% (March 31, 2022: 8.47% to 11.35%) per annum.

14.	TRADE AND OTHER PAYABLES		Unaudited March 31, 2024	Audited June 30, 2023
		Note	----- (Rupees in '000) -----	
	Trade creditors		130,864	44,058
	Bills payable		-	38
	Commission payable		522	522
	Accrued liabilities		772,377	594,735
	Advances from customers		216,613	350,464
	Infrastructure fee, sales tax and damages		323,733	287,643
	Due to related parties	14.1	23,791	19,534
	Payable to provident fund		2,902	127
	Payable to staff retirement benefit funds		3,223	2,823
	Retention money		110	2,980
	Withholding tax payable		3,851	6,892
	Workers' Profit Participation Fund		73,515	18,529
	Workers' Welfare Fund		25,523	7,640
	Others		83,418	53,080
			<u>1,660,441</u>	<u>1,389,065</u>
14.1	Due to related parties			
	Premier Insurance Company Limited		32	-
	Shakarganj Limited		23,759	19,534
			<u>23,791</u>	<u>19,534</u>
15.	SHORT TERM BORROWINGS			
	Secured from banking companies			
	Running finances under mark-up arrangements	15.1	597,894	463,654
	Short term loans	15.2 & 15.4	1,096,706	825,865
			<u>1,694,600</u>	<u>1,289,519</u>
15.1	Running finances facility / money market facilities available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 850 million (June 30, 2023: Rs. 1,100 million) out of which Rs. 300 million (June 30, 2023: Rs. 300 million), Rs. 100 million (June 30, 2023: Rs. 100 million) and Rs. 300 million (June 30, 2023: Rs. 300 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 22.23% to 25.23% (March 31, 2023: 17.03% to 24.01%) per annum.			
15.2	Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 2,050 million (June 30, 2023: Rs. 3,950 million) out of which Rs. 1,950 million (June 30, 2023: Rs. 3,150 million), Rs. 100 million (June 30, 2023: Rs. 205 million) and Rs. 300 million (June 30, 2023: Rs. 350 million) are interchangeable with letters of credit, letters of guarantee and short term running finance facilities, respectively. During the period, the mark-up on such arrangements ranged from 22.65% to 24.93% (March 31, 2023: 17.08% to 24.01%) per annum.			

- 15.3** The facilities for opening letters of credit amounted to Rs. 3,800 million (June 30, 2023: Rs. 4,750 million) out of which Rs. 300 million (June 30, 2023: Rs. 300 million), Rs. 3,050 million (June 30, 2023: Rs. 3,150 million) and Rs. 205 million (June 30, 2023: Rs. 205 million) are interchangeable with short term running finance facilities, short term loans and letters of guarantee respectively as mentioned in notes 15.1 and 15.2 above. The facility for letters of guarantee as at March 31, 2024 amounted to Rs. 2,039 million (June 30, 2023: Rs. 2,336.6 million). Amounts unutilized for letters of credit and guarantees as at March 31, 2024 were Rs. 1,569 million and Rs. 61.359 million (June 30, 2023: Rs. 4,251 million and Rs. 378.6 million), respectively.
- 15.4** These includes an amount of Rs. 883.009 million (June 30, 2023: Rs. 438 million outstanding against Islamic mode of financing. The Company is currently availing Islamic mode of financing from the Al Baraka Bank, Dubai Islamic Bank and Bank Islami Pakistan Limited. Facilities availed include letters of credit, bank guarantees, Wakala, Morabaha, Istisna and Ijarah financing.
- 15.5** The above facilities are expiring on various dates with maturity periods upto February 28, 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) 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.

16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There is no significant change in the status of the matters as set out in note 12.3,15, 28.2 and 29.1 to the Company's annual unconsolidated financial statements for the year ended June 30, 2023.

16.2 Commitments

- 16.2.1** Aggregate amount of guarantees issued by banks on behalf of the Company against various contracts aggregated to Rs. 2,107 million (June 30, 2023: Rs. 1,654 million). These include guarantees issued by Islamic banks amounting to Rs. 235.34 million (June 30, 2023: Rs. 153.591 million).
- 16.2.2** Commitments in respect of capital expenditure contracted for as at March 31, 2024 amounted to Rs. 41.659 million (June 30, 2023: Rs. 34.659 million).
- 16.2.3** Commitments under letters of credit (L/C) as at March 31, 2024 amounted to Rs. 1,033.27 million (June 30, 2023: Rs. 498.92 million).

17. SALES

SALES		Unaudited Quarter ended		Unaudited Nine months ended	
	Note	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- (Rupees in '000) -----					
Local sales					
Bare pipes		1,106,612	500,063	4,260,328	1,914,630
Pipe coating		962	-	411,675	16,331
Coated pipes	17.1	425,752	704,529	1,633,638	745,748
Cotton yarn / raw cotton		65,289	214,454	65,289	1,111,815
Others		33,636	14,076	130,296	132,904
Scrap / waste		-	90,326	178,872	177,044
		1,632,251	1,523,448	6,680,098	4,098,472
Sales tax		(249,033)	(249,880)	(1,019,462)	(608,424)
		1,383,218	1,273,568	5,660,636	3,490,048

17.1 This includes revenue amounting to Rs. 2,007.231 Million (March 31, 2023: Rs Nil) where HRC (Hot Rolled Coil) was supplied by the customer.

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

18. INCOME FROM INVESTMENTS - NET

		Unaudited Quarter ended		Unaudited Nine months ended	
	Note	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----			
Dividend income	18.1	19,911	16,147	619,419	37,972
Gain / (loss) on sale of FVTPL investments - net	18.2	19,854	(646)	22,791	4,359
Unrealized (loss) / gain on FVTPL investments - net	18.3	(1,462)	(3,438)	154,657	(29,272)
Rent from investment properties	18.5	1,131	1,034	3,376	3,100
		39,434	13,097	800,243	16,159

18.1 This includes Rs. 22.002 million (March 31, 2023: 13.35 million) earned on investments in Shariah Compliant Investee Companies.

18.2 This includes Rs. 20.242 million (March 31, 2023: 0.75 million) gain on sale of Shariah Compliant Investee Companies.

18.3 This includes loss of Rs.103.821 million (March 31, 2023: 25.58 million) on investments in Shariah Compliant Investee Companies.

18.5 Direct operating expenses incurred against rental income from investment properties amounted to Rs. 1.098 million (March 31, 2023: Rs. 1.117 million).

19. OTHER OPERATING EXPENSES

	Unaudited Quarter ended		Unaudited Nine months ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rupees in '000)			
Exchange loss	-	4,151	-	4,151
Impairment loss relating to capital work in process	-	-	33,223	-
Impairment loss on trade debts	-	-	848	-
Provision for:				
- Workers' Profit Participation Fund	5,184	7,024	54,987	7,024
- Workers' Welfare Fund	523	-	17,883	-
- Slow moving stores, spares and loose tools	-	1,161	9,032	1,161
Fixed assets written off	689		5,346	
Others	-	-	30	-
	6,396	12,336	121,349	12,336

20. FINANCE COSTS

Profit on short term loans - Shariah arrangement	14,086	10,629	45,015	30,627
Interest on - Non - Shariah arrangement				
- finance lease obligations	13,636	2,522	32,483	6,682
- long term loans	34,306	37,892	111,694	77,998
- running finances / short term loans	37,752	41,704	173,359	121,067
Bank charges	960	291	4,120	2,252
	100,740	93,038	366,671	238,626

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

Profit / (loss) for the period	39,533	121,475	1,043,699	(78,170)
	(Number of shares)			
Weighted average number of ordinary shares in issue during the period	77,632,491	77,632,491	77,632,491	77,632,491
	(Rupees)			
Earnings / (loss) per share - Basic and diluted	0.51	1.56	13.44	(1.01)

22. CASH USED IN OPERATIONS

	Note	Unaudited Nine months ended	
		March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----	
Profit / (loss) before taxation		1,551,393	(102,341)
Adjustments for non cash charges and other items			
Depreciation on operating fixed assets, right-of-use assets and investment properties		195,432	171,385
Amortisation of intangible assets		1,349	1,627
Charge for the period on staff retirement benefit funds		48,013	22,723
Dividend income		(619,419)	(37,972)
Unrealized (gain) / loss on FVTPL investments - net		(154,657)	29,272
Gain on sale of FVTPL investments - net		(22,791)	(4,359)
Provision for stores, spares and loose tools - net		9,032	(3,856)
Impairment loss on trade debts - net		848	(800)
Provision for Workers' Welfare Fund		17,883	-
Provision for Workers' Profit Participation Fund		54,987	7,024
Return on deposits		(51,557)	(24,534)
Gain on disposal of operating fixed assets and investment property		(1,702)	(7,356)
Deferred income		(404)	(4,075)
Unwinding of discount on long term deposit		(2,489)	(1,982)
Fixed assets written off		5,346	-
Impairment charge relating to capital work in process		33,223	-
Finance costs		366,671	238,626
Working capital changes	22.1	<u>(2,050,459)</u>	<u>(401,123)</u>
		<u>(619,301)</u>	<u>(116,941)</u>

22.1 Working capital changes

Increase in current assets			
Stores, spares and loose tools		(85,053)	(107,954)
Stock-in-trade		(932,029)	181,993
Trade debts		(1,439,651)	(447,536)
Loans and advances		15,308	(97,436)
Trade deposits and short term prepayments		(1,536)	(562)
Other receivables		<u>194,330</u>	<u>(250,717)</u>
		<u>(2,248,631)</u>	<u>(722,212)</u>
Increase in current liabilities			
Trade and other payables		<u>198,172</u>	<u>321,089</u>
		<u>(2,050,459)</u>	<u>(401,123)</u>

23. CASH AND CASH EQUIVALENTS

Running finances under mark-up arrangements		(597,894)	(432,661)
Cash and bank balances		<u>214,188</u>	<u>230,172</u>
		<u>(383,706)</u>	<u>(202,489)</u>

24. SEGMENT REPORTING

24.1 Reportable segments

The Company's reportable segments are as follows:

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

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

24.2 Segment revenues and results

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

**For the nine months ended
March 31, 2024**

	Unaudited					
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments eliminations / adjustments
	(Rupees in '000)					
Sales - net	5,605,305	55,331	-	-	-	-
Cost of sales	3,827,805	147,660	45,993	46,410	-	-
Gross profit / (loss)	1,777,500	(92,329)	(45,993)	(46,410)	-	-
Income from investments - net	-	-	-	-	800,243	-
	1,777,500	(92,329)	(45,993)	(46,410)	800,243	-
Distribution and selling expenses	89,056	3,029	-	1,320	-	-
Administrative expenses	278,240	36,725	993	11,846	21,829	-
Other expenses	111,870	4,983	(204)	4,700	-	-
	479,166	44,737	789	17,866	21,829	-
	1,298,334	(137,066)	(46,782)	(64,276)	778,414	-
Other income	83,737	5,303	-	400	-	-
Operating profit / (loss) before finance costs	1,382,071	(131,763)	(46,782)	(63,876)	778,414	-
Finance costs	357,215	9,302	-	154	-	-
Profit / (loss) before taxation	1,024,856	(141,065)	(46,782)	(64,030)	778,414	-
Taxation						507,694
Profit for the period						1,043,699

**For the nine months ended
March 31, 2023**

	Unaudited					
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments eliminations / adjustments
	(Rupees in '000)					
Sales - net	2,420,962	975,061	-	94,025	-	-
Cost of sales	1,908,971	1,027,118	46,984	141,253	-	-
Gross profit / (loss)	511,991	(52,057)	(46,984)	(47,228)	-	-
Income from investments - net	-	-	-	-	16,159	-
	511,991	(52,057)	(46,984)	(47,228)	16,159	-
Distribution and selling expenses	13,744	3,169	-	1,297	-	-
Administrative expenses	197,979	35,859	769	12,615	13,973	-
Other expenses	7,701	644	-	2,830	1,161	-
	219,424	39,672	769	16,742	15,134	-
	292,567	(91,729)	(47,753)	(63,970)	1,025	-
Other income	40,560	5,585	-	-	-	-
Operating profit / (loss) before finance costs	333,127	(86,144)	(47,753)	(63,970)	1,025	-
Finance costs	214,422	18,127	-	6,077	-	-
Profit / (loss) before taxation	118,705	(104,271)	(47,753)	(70,047)	1,025	-
Taxation						(24,174)
Loss for the period						(78,167)

24.2.2 The accounting policies of the reportable segments are the same as the Company's accounting policies as described in the annual unconsolidated financial statements of the Company for the preceding year ended June 30, 2023. The Steel segment allocates certain percentage of the common expenditure to the Cotton, Energy, Hadeed (Billet) and IID segments. In addition, finance costs between Steel and Cotton segments are allocated at average mark-up rate on the basis of funds utilized. This is the measure reported to management for the purposes of resource allocation and assessment of segment performance.

24.3 Revenue from major products and services

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

24.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 5,205.244 million (March 31, 2023: Rs. 2,288.353 million) of total Steel segment revenue of Rs. 5,605.305 million (March 31, 2023: Rs. 2,420.962 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. 55.331 million (March 31, 2023: Rs. Nil) of total Cotton segment revenue of Rs. 55.331 million (March 31, 2023: Rs. 975.061 million). Revenue from major customers of Energy segment represents an aggregate amount of Rs. Nil (March 31, 2023: Rs. Nil) of total Energy segment revenue of Rs. Nil million (March 31, 2023: Rs. Nil). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. Nil million (March 31, 2023: Rs. Nil) of total Hadeed (Billet) segment revenue of Rs. Nil million (March 31, 2023: Rs. 94.025 million).

24.5 Geographical information

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

24.5.2 All non-current assets of the Company as at March 31, 2024 and June 30, 2023 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 March 31, 2024 - (Unaudited)						
Segment assets for reportable segments	5,811,428	223,985	429,378	635,442	2,924,700	10,024,932
Unallocated corporate assets						1,594,834
Total assets as per condensed interim unconsolidated statement of financial position						<u>11,619,766</u>
Segment liabilities for reportable segments	1,817,239	130,570	35,788	84,190	12,448	2,080,234
Unallocated corporate liabilities and deferred income						2,530,948
Total liabilities as per condensed interim unconsolidated statement of financial position						<u>4,611,182</u>
As at June 30, 2023 - (Audited)						
Segment assets for reportable segments	3,685,849	230,380	474,161	677,091	2,836,318	7,903,799
Unallocated corporate assets						2,044,481
Total assets as per unconsolidated statement of financial position						<u>9,948,280</u>
Segment liabilities for reportable segments	1,417,450	130,373	35,812	78,752	11,333	1,673,720
Unallocated corporate liabilities and deferred income						2,155,128
Total liabilities as per unconsolidated statement of financial position						<u>3,828,848</u>

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

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

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

24.7 Other segment information

	Unaudited				
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment
	(Rupees in '000)				
For the nine months ended March 31, 2024					
Capital expenditure	114,731	-	-	522	-
Depreciation and amortisation	98,829	12,549	44,790	38,647	1,966
Non-cash items other than depreciation and amortisation - net	452,449	20,587	(204)	4,979	(794,827)
For the nine months ended March 31, 2023					
Capital expenditure	204,271	2,250	-	16,099	-
Depreciation and amortisation	69,735	17,753	45,026	38,675	1,823
Non-cash items other than depreciation and amortisation - net	199,445	20,498	(4,432)	(28,984)	(12,102)

25. TRANSACTIONS WITH RELATED PARTIES

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

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

Name of entity	Nature of relationship	Nature of transaction	Unaudited	
			Nine months ended March 31, 2024	March 31, 2023
			(Rupees in '000)	
CS Capital (Private) Limited	Subsidiary company	Reimbursable expenses	1,912	1,576
		Repayment of reimbursable expenses	1,315	4,964
Solution de Energy (Private) Limited	Subsidiary company	Loan given	3,550	15,014
		Reimbursable expenses	-	48
Altern Energy Limited	Associated company	Dividend income	573,273	-
		Dividend received	573,273	-
Shakarganj Limited	Associated company	Reimbursable expenses	5,041	7,541
		Sales return	24	-
		Services rendered	791	-
		Dividend paid	360	-
Shakarganj Food Products Limited	Related party	Reimbursable expenses	3,181	-
		Rent	2,080	1,881
		Services rendered	-	2,313
		Receiving of services	2,362	2,045
		Payments received	2,500	2,500
Crescent Socks (Private) Limited	Related party	Rent	900	900
		Payments received	500	1,500
The Crescent Textile Mills Limited*	Associated company	Reimbursable expense	2,567	933
		Payment received	5,306	2,485
		Rent	2,758	1,379
		Dividend income	565	-
		Dividend received	565	-
		Dividend paid	17,077	

Continued ... Note 25: TRANSACTIONS WITH RELATED PARTIES

Name of entity	Nature of relationship	Nature of transaction	Nine months ended	
			March 31, 2024	March 31, 2023
			----- (Rupees in '000) -----	
The Citizens' Foundation*	Related party	Donation given	<u>22,324</u>	<u>13,723</u>
Pakistan Centre For Philanthropy*	Related party	Annual Member ship Fee	<u>360</u>	<u>-</u>
		Payment annual membership fee	<u>360</u>	<u>-</u>
Premier Insurance Limited*	Related party	Receiving of services	<u>6,633</u>	<u>6,855</u>
		Payments made	<u>6,730</u>	<u>7,259</u>
		Dividend paid	<u>283</u>	<u>-</u>
Pak-Qatar Asset Management Company Limited*	Related party	Units in cash plan	<u>100,000</u>	<u>-</u>
		Loan repayment	<u>20,000</u>	<u>-</u>
		Profit repayment	<u>12,073</u>	<u>-</u>
		Dividend paid	<u>15,450</u>	<u>-</u>
Pak Electron Limited*	Related party	Sales made	<u>122,653</u>	<u>123,952</u>
		Payment received	<u>97,018</u>	<u>145,224</u>
Meezan Bank Limited*	Related party	Dividend Income	<u>1,314</u>	<u>-</u>
		Dividend Received	<u>1,314</u>	<u>-</u>
		Sale of Investment	<u>10,196</u>	<u>-</u>
International Steels Limited*	Related party	Dividend Income	<u>158</u>	<u>-</u>
		Dividend Received	<u>158</u>	<u>-</u>
		Sale of Investment	<u>4,223</u>	<u>-</u>
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>1,342</u>	<u>-</u>
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	<u>7,849</u>	<u>6,424</u>
		Dividend paid	<u>3,877</u>	<u>-</u>
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	<u>19,891</u>	<u>16,238</u>
		Dividend paid	<u>8,077</u>	<u>-</u>
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>10,104</u>	<u>10,387</u>
		Dividend paid	<u>248</u>	<u>-</u>
Crescent Hadeed (Private) Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>379</u>	<u>-</u>
CSAP - Staff Benevolent Fund	Staff Welfare Fund	Contribution made	<u>-</u>	<u>3</u>
		Dividend paid	<u>72</u>	<u>-</u>
Key management personnel	Related parties	Remuneration and benefits	<u>171,216</u>	<u>137,055</u>
		Dividend paid	<u>9,662</u>	<u>-</u>
Chairman of the Board	Related party	Honorarium	<u>1,450</u>	<u>1,350</u>
Directors	Related parties	Meeting fee	<u>2,650</u>	<u>1,585</u>
		Dividend paid	<u>4,488</u>	<u>-</u>

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

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

25.2 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors of the Company. There were no transactions with the key management personnel during the period other than under their terms of employment / entitlements.

26. FINANCIAL RISK MANAGEMENT

26.1 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, 2023.

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:

March 31, 2024 (Un-audited)									
	Carrying amount				Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
On-balance sheet									
financial instruments									
Financial assets									
measured at fair value									
Investments									
- listed equity securities	275,971	8,115	-	-	284,086	284,086	-	-	284,086
- unlisted equity securities	590,178	-	-	-	590,178	-	-	590,178	590,178
	866,149	8,115	-	-	874,264	284,086	-	590,178	874,264
Financial assets not									
measured at fair value									
Deposits	-	-	71,451	-	71,451	-	-	-	-
Term deposit receipt	-	-	84,360	-	84,360	-	-	-	-
Trade debts	-	-	1,902,846	-	1,902,846	-	-	-	-
Loan to subsidiary	-	-	115,681	-	115,681	-	-	-	-
Other receivables	-	-	102,134	-	102,134	-	-	-	-
Bank balances	-	-	214,188	-	214,188	-	-	-	-
	-	-	2,490,661	-	2,490,661	-	-	-	-
Financial liabilities not									
measured at fair value									
Long term loans	-	-	-	560,988	560,988	-	-	-	-
Lease liabilities	-	-	-	261,367	261,367	-	-	-	-
Trade and other payables	-	-	-	1,017,206	1,017,206	-	-	-	-
Mark-up accrued	-	-	-	102,547	102,547	-	-	-	-
Short term borrowings	-	-	-	1,694,600	1,694,600	-	-	-	-
Unclaimed dividend	-	-	-	27,069	27,069	-	-	-	-
	-	-	-	3,663,777	3,663,777	-	-	-	-

June 30, 2023 (Audited)								
Carrying amount					Fair value			
Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Financial liabilities- Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
- listed equity securities	468,022	7,295	-	475,317	475,317	-	-	475,317
- unlisted equity securities	545,980	-	-	545,980	-	-	545,980	545,980
	1,014,002	7,295	-	1,021,297	475,317	-	545,980	1,021,297
Financial assets not measured at fair value								
Deposits	-	-	30,135	30,135	-	-	-	-
Term deposit receipt	-	-	84,360	84,360	-	-	-	-
Trade debts	-	-	464,043	464,043	-	-	-	-
Loan to subsidiary	-	-	111,914	111,914	-	-	-	-
Other receivables	-	-	118,757	118,757	-	-	-	-
Bank balances	-	-	30,266	30,266	-	-	-	-
	-	-	839,475	755,115	-	-	-	-
Financial liabilities not measured at fair value								
Long term loans	-	-	694,976	694,976	-	-	-	-
Lease liabilities	-	-	76,673	76,673	-	-	-	-
Trade and other payables	-	-	717,897	717,897	-	-	-	-
Mark-up accrued	-	-	78,369	78,369	-	-	-	-
Short term borrowings	-	-	1,289,519	1,289,519	-	-	-	-
Unclaimed dividend	-	-	16,081	16,081	-	-	-	-
	-	-	2,873,515	2,873,515	-	-	-	-

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 reprice 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.

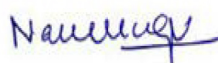
26.2 Valuation techniques and significant unobservable inputs


The Company's long-term investments as disclosed in note 6 include Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited which are unquoted investments. During the period, the respective fair valuation models were updated to reflect the most recent market data changes. However, the Company has determined that due to these updates no material changes are required in the carrying amount of these investments hence these have been carried at the same value determined as of December 31, 2023.

27. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue in the Board of Directors meeting held on April 29, 2024.


Chief Executive


Director


Chief Financial Officer

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ART NOUVEAU

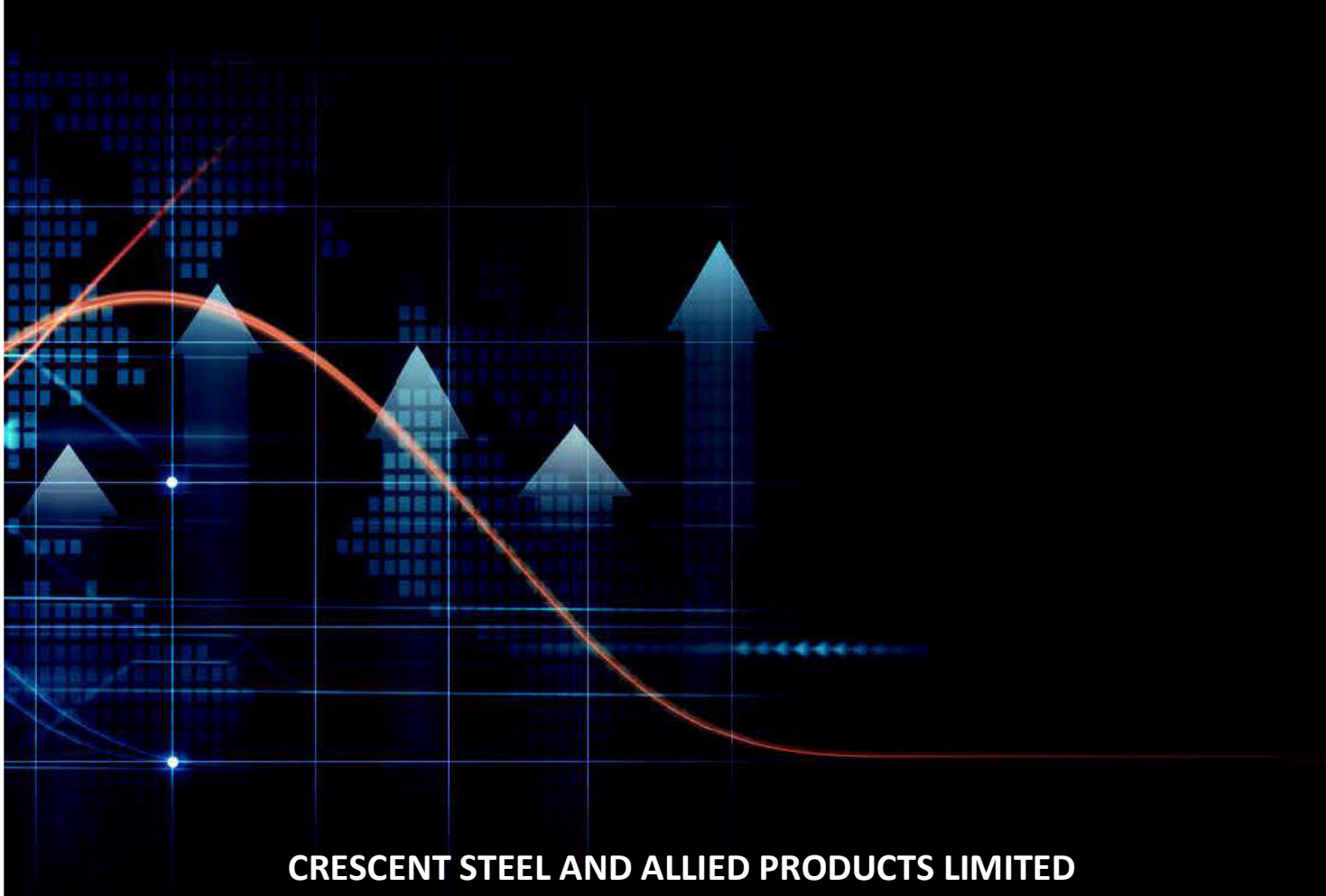
1890 – 1914

Decorative style of the late 19th century and the early 20th that flourished principally in Europe and the USA. Although it influenced painting and sculpture, its chief manifestations were in architecture and the decorative and graphic arts, the aspects on which this survey concentrates. It is characterized by sinuous, asymmetrical lines based on organic forms; in a broader sense it encompasses the geometrical and more abstract patterns and rhythms that were evolved as part of the general reaction to 19th-century historicism. There are wide variations in the style according to where it appeared and the materials that were employed.

GUSTAV KLIMT

Title: Avenue to Schloss Kammer





CRESCENT STEEL AND ALLIED PRODUCTS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 31, 2024

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Financial Position
As at March 31, 2024

As at March 31, 2024		Note	Unaudited March 31, 2024	Audited June 30, 2023
			----- (Rupees in '000) -----	
ASSETS				
Non-current assets				
Property, plant and equipment	5		2,155,940	2,437,713
Right-of-use-assets			240,858	82,852
Intangible assets			157,751	155,322
Investment properties			76,226	79,038
Investment in equity accounted investees	6		2,784,271	2,948,286
Other long term investments	7		830,105	762,807
Long term deposits	8		71,451	27,143
Deferred taxation - net			537,895	708,451
			<u>6,854,497</u>	<u>7,201,612</u>
Current assets				
Stores, spares and loose tools			415,728	339,707
Stock-in-trade	9		2,200,996	1,268,967
Trade debts	10		1,902,846	464,043
Advances	11		154,293	173,372
Trade deposits and short term prepayments			18,225	16,689
Short term investments	12		838,439	834,227
Other receivables	13		107,020	294,952
Taxation - net			316,030	672,824
Cash and bank balances			247,913	36,248
			<u>6,201,490</u>	<u>4,101,029</u>
Total assets			<u>13,055,987</u>	<u>11,302,641</u>
EQUITY AND LIABILITIES				
EQUITY				
Share capital and reserves				
Authorized capital				
100,000,000 ordinary shares of Rs. 10 each			<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up capital			776,325	776,325
Capital reserves			1,050,669	1,050,821
Revenue reserves			<u>6,570,419</u>	<u>5,598,995</u>
			<u>8,397,413</u>	<u>7,426,141</u>
LIABILITIES				
Non-current liabilities				
Long term loans	14		290,783	424,748
Lease liabilities			227,914	62,424
Deferred income			3,433	3,837
Deferred liability - staff retirement benefits			<u>300,199</u>	<u>279,790</u>
			<u>822,329</u>	<u>770,799</u>
Current liabilities				
Trade and other payables	15		1,707,737	1,436,025
Unclaimed dividend			27,069	16,081
Mark-up accrued			102,643	79,061
Short term borrowings	16		1,694,600	1,289,519
Current portion of long term loans	14		270,205	270,228
Current portion of lease liabilities			33,453	14,249
Current portion of deferred income			538	538
			<u>3,836,245</u>	<u>3,105,701</u>
			<u>4,658,574</u>	<u>3,876,500</u>
Contingencies and commitments	17			
Total equity and liabilities			<u>13,055,987</u>	<u>11,302,641</u>

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


Chief Executive


Director


Chief Financial Office

Crescent Steel and Allied Products Limited
Condensed Interim Consolidated Statement of Profit or Loss and
Other Comprehensive Income (Unaudited)
For the quarter and nine months ended March 31, 2024

		Quarter ended		Nine months ended	
	Note	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- (Rupees in '000) -----					
Sales	18	1,632,251	1,523,447	6,680,098	4,098,472
Less: Sales tax		249,033	249,880	1,019,462	608,424
		1,383,218	1,273,567	5,660,636	3,490,048
Cost of sales		1,135,908	918,495	4,067,868	3,124,326
Gross profit		247,310	355,072	1,592,768	365,722
Income from investments - net	19	72,558	17,972	444,324	13,007
		319,868	373,044	2,037,092	378,729
Distribution and selling expenses		46,448	4,899	93,405	18,210
Administrative expenses		110,930	98,950	354,688	265,423
Other operating expenses	20	5,670	12,336	121,349	12,336
		163,048	116,185	569,442	295,969
		156,820	256,859	1,467,650	82,760
Other income		34,736	16,295	91,551	46,145
Operating profit before finance costs		191,556	273,154	1,559,201	128,905
Finance costs	21	100,852	94,031	367,099	242,751
Share of profit in equity accounted investees - net of taxation		184,270	163,987	440,630	385,530
Profit before taxation		274,974	343,110	1,632,732	271,684
Taxation		(18,847)	(19,187)	(346,985)	(54,257)
- current for the period		-	-	-	782
- current for prior year		(10,997)	(46,475)	(177,467)	48,845
- deferred		(29,844)	(65,662)	(524,452)	(4,630)
Profit for the period		245,130	277,448	1,108,280	267,054
Other comprehensive income / (loss) 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)		13,817	(18,900)	18,409	(54,742)
Items that will be reclassified subsequently to profit or loss					
Proportionate share of other comprehensive income / (loss) of equity accounted investees		-	-	(152)	(159)
		13,817	(18,900)	18,257	(54,901)
Total comprehensive income for the period		258,947	258,548	1,126,537	212,153
----- (Rupees) -----					
Earnings per share - Basic and diluted	22	3.16	3.57	14.28	3.44

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


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited

Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

For the nine months ended March 31, 2024

	Note	Nine months ended	
		March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----	
Cash flows from operating activities			
Cash used in operations	23	(615,790)	(119,431)
Taxes refunded / (paid)		10,433	(20,422)
Finance costs paid		(311,431)	(165,540)
Contribution to gratuity and pension funds		(27,204)	(22,220)
Contribution to Workers' Profit Participation Fund		-	(1)
Long term deposits - net		(41,819)	(14,984)
Net cash used in operating activities		(985,811)	(342,598)
Cash flows from investing activities			
Capital expenditure		(115,254)	(236,464)
Acquisition of intangible assets		(3,633)	(3,656)
Proceeds from disposal of operating fixed assets		7,488	18,654
Investments - net		284,653	(504,064)
Dividend income received		691,136	64,060
Interest income received		53,668	24,534
Net cash generated from / (used in) investing activities		918,058	(636,936)
Cash flows from financing activities			
(Repayments of) / proceeds from long term loans - net		(133,988)	683,281
Proceeds from / (payments against) finance lease obligations		152,602	(34,052)
Proceeds from short term loans obtained - net		270,841	498,662
Dividends paid		(144,277)	(9,533)
Net cash generated from financing activities		145,178	1,138,358
Net increase in cash and cash equivalents		77,425	158,824
Cash and cash equivalents at beginning of the period		(427,406)	(383,039)
Cash and cash equivalents at end of the period	24	(349,981)	(224,215)

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



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)

For the nine months ended March 31, 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 June 30, 2022	776,325	1,020,908	30,072	1,050,980	8,733	3,642,000	1,546,531	5,197,264	7,024,569
Total comprehensive income for the period									
Profit after taxation for the period	-	-	-	-	-	-	267,054	267,054	267,054
Other comprehensive income									
Other comprehensive loss for the period	-	-	(159)	(159)	(54,742)	-	-	(54,742)	(54,901)
Total comprehensive income for the period	-	-	(159)	(159)	(54,742)	-	267,054	212,312	212,153
Balance as at March 31, 2023	776,325	1,020,908	29,913	1,050,821	(46,009)	3,642,000	1,813,585	5,409,576	7,236,722
Balance as at June 30, 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	-	-	-	-	-	-	1,108,280	1,108,280	1,108,280
Other comprehensive income									
Other comprehensive (loss) / income for the period	-	-	(152)	(152)	18,409	-	-	18,409	18,257
Total comprehensive income for the period	-	-	(152)	(152)	18,409	-	1,108,280	1,126,689	1,126,537
Transactions with owners of the Holding Company									
Dividend									
- Interim @ 20% (i.e. Rs 2 per share) for the year ending June 30, 2024	-	-	-	-	-	-	(155,265)	(155,265)	(155,265)
Balance as at March 31, 2024	776,325	1,020,908	29,761	1,050,669	(8,172)	3,642,000	2,936,591	6,570,419	8,397,413

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

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


Chief Executive


Director


Chief Financial Officer

Crescent Steel and Allied Products Limited

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the nine months ended March 31, 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 office of the Holding Company and its subsidiaries companies are located at E- Floor, IT Tower, 73-E/1, Hali Road, Gulberg III, Lahore, whereas its 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 provisions of repealed Companies Ordinance, 1984 (now the Companies Act, 2017). 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 effectively manage investment portfolios in shares, commodities and other securities (strategic as well as short term). On September 26, 2011, the Holding Company has 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 provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as result of a Joint Venture Agreement ("The Agreement") executed on 8 October 2013 between Management de Consortium Capital (MdeCC), a partnership concern and the Holding Company. During the year ended June 30, 2019, the 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.

The Subsidiary Company has been granted electricity generation license from National Electric Power Regulatory Authority (NEPRA) for its 100MW Solar Power Plant on April 29, 2020 and Subsidiary Company has submitted the tariff petition to NEPRA on July 22, 2020, which is still awaited.

- 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 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;
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act 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 annual audited consolidated financial statements of the Group for the year ended June 30, 2023. However, selected explanatory notes are included in these condensed interim consolidated financial statements 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 audited 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. SIGNIFICANT 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 annual audited annual consolidated financial statements for the year ended June 30, 2023.

3.2 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED 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 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.

3.3 Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Group:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 1, 2024. However, the amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 The preparation of these condensed interim consolidated financial statements, requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these judgement, estimates and assumptions. Estimates and underlying assumptions are reviewed on an ongoing basis.

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, 2023.

5. PROPERTY, PLANT AND EQUIPMENT

	Unaudited March 31, 2024	Audited June 30, 2023
	----- (Rupees in '000) -----	
Operating fixed assets	1,998,293	1,934,958
Capital work-in-progress	157,647	502,755
	<u>2,155,940</u>	<u>2,437,713</u>

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

	Unaudited Nine months ended March 31, 2024		Unaudited Nine months ended March 31, 2023	
	Additions / Transfers	Disposals / Transfers (Cost)	Additions / Transfers	Disposals / Transfers (Cost)
	----- (Rupees in '000) -----			
Leasehold land	14,250	-	-	-
Buildings on leasehold land	92,766	-	-	-
Buildings on freehold land	-	-	4,472	-
Plant and machinery - owned	131,002	-	84,481	1,903
Electrical / office equipment and installation	723	86	8,855	1,193
Computers	4,554	2,782	2,472	-
Office premises	561	-	-	-
Motor vehicles - owned	13,422	17,074	45,033	23,098
	<u>257,278</u>	<u>19,942</u>	<u>145,313</u>	<u>26,194</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 March 31, 2024	Audited June 30, 2023		Note	Unaudited March 31, 2024	Audited June 30, 2023
(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	2,784,271	2,918,012
35,011,347	35,011,347	Shakarganj Limited (Chief Executive Officer - Mr. Muhammad Saif Ullah)	6.1	-	30,274
		Unquoted			
3,430,000	3,430,000	Crescent Socks (Private) Limited (Chief Executive Officer - Mr. Shehryar Mazhar)	6.1	-	-
				<u>2,784,271</u>	<u>2,948,286</u>

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

Description	Note	March 31, 2024			
		Altern Energy Limited	Shakarganj Limited	Crescent Socks (Private) Limited	Total
		----- Rupees in '000 -----			
Opening balance as at July 01, 2023		2,918,012	30,274	-	2,948,286
Share of profit / (loss)	6.2	470,563	(29,933)	-	440,630
Share of equity	6.2	189	(341)	-	(152)
Dividend received		(604,493)	-	-	(604,493)
Closing balance as at March 31, 2024		<u>2,784,271</u>	<u>-</u>	<u>-</u>	<u>2,784,271</u>

Description		June 30, 2023			
		Altern Energy Limited	Shakarganj Limited	Crescent Socks (Private) Limited	Total
		----- Rupees in '000 -----			
Opening balance as at July 01, 2022		2,332,187	-	-	2,332,187
Share of profit		585,984	67,073	-	653,057
Share of equity		(159)	(36,799)	-	(36,958)
Closing balance as at June 30, 2023		<u>2,918,012</u>	<u>30,274</u>	<u>-</u>	<u>2,948,286</u>

6.2 These figures are based on financial statements / information of these companies as at 31 December 2021.

6.3 Percentage of holding of equity in associates is as follows

	Note	Unaudited March 31, 2024	Audited June 30, 2023
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.

7. OTHER LONG TERM INVESTMENTS

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		(Rupees in '000)	
Fair value through other comprehensive income (FVOCI)	7.1	114,473	102,906
Fair value through profit or loss (FVTPL)	7.2 & 7.3	715,632	659,901
		830,105	762,807

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

7.2 This includes investments in Crescent Industrial Chemicals Limited and Crescent Bahuman Limited amounting to Rs. 10.470 million and Rs. 24.037 million, respectively, which had been fully charged to profit or loss in earlier periods.

7.3 This also includes investment in Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited amounting to Rs. 501.816 million and Rs. 213.816 million (June 30, 2023: Rs 455.685 million and Rs. 204.216 million) respectively.

8. LONG TERM DEPOSITS

These include security deposit amounting to Rs. 55.664 million (June 30, 2023: Rs. 11.357 million) to leasing companies.

9. STOCK-IN-TRADE

		Unaudited March 31, 2024	Audited June 30, 2023
		(Rupees in '000)	
Raw materials			
Hot rolled steel coils (HR Coil)		451,035	284,762
Coating materials		560,354	328,884
Remelting steel scrap		11,999	11,999
Others		203,996	331,829
Stock-in-transit		814,755	129,198
		<u>2,042,139</u>	<u>1,086,672</u>
Work-in-process		11,040	70,993
Finished goods	9.1	129,127	111,099
Scrap / cotton waste		18,689	203
		<u>158,857</u>	<u>182,295</u>
		<u>2,200,996</u>	<u>1,268,967</u>

- 9.1 Stock in trade as at March 31, 2024 includes certain items valued at net realisable value (NRV). Charge in respect of stock written down to NRV was amounting to Rs. 38.636 million (March 31, 2023: Reversal of Rs. 7.414 million) has been recognized in cost of sales.

10. TRADE DEBTS

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		(Rupees in '000)	
Secured			
Considered good		148,767	-
Unsecured			
Considered good	10.1	1,754,079	464,043
Considered doubtful		19,248	18,401
		<u>1,773,327</u>	<u>482,444</u>
Impairment loss on trade debts		<u>(19,248)</u>	<u>(18,401)</u>
		<u>1,902,846</u>	<u>464,043</u>

- 10.1 This includes amount due from Pak Elektron Limited (related party) amounting to Rs. 65.160 million (June 30, 2023: Rs. 40.101 million)

11. ADVANCES

This includes advances amounting to Rs. 148.057 million (June 30, 2023 Rs. 40.182 million) given to suppliers for goods and services.

12. SHORT TERM INVESTMENTS

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		(Rupees in '000)	
At amortised cost	12.1	84,360	84,360
At fair value through profit or loss (FVTPL)	12.2	754,101	749,867
		<u>838,461</u>	<u>834,227</u>

- 12.1** This represent investment in term deposit receipt having markup rate of 15.75% per annum and maturing on March 26, 2024.
- 12.2** Investments having an aggregate market value of Rs. 1,965.741 million (June 30, 2023: Rs. 1,172.758 million) have been pledged with financial institutions as security against financing facilities (see note 16.5) out of which Rs. 1,368.888 million (June 30, 2023: Rs. 918.094 million) relates to long term investments.

13. OTHER RECEIVABLES

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
Dividend receivable		7,271	886
Provision there against		(886)	(886)
		<u>6,385</u>	<u>-</u>
Receivable against sale of investments		1,099	17,723
Provision there against		-	(17,723)
Receivable against sale of investments		<u>1,099</u>	<u>-</u>
Rent Receivable		45	45
Claim receivable		461	461
Due from related parties	13.1	5,015	4,920
Sales tax refundable		3,797	106,973
Margin on letter of credit and guarantee		88,028	179,482
Others		2,190	3,071
		<u>107,020</u>	<u>294,952</u>
13.1 Due from related parties			
The Crescent Textile Mills Limited		90	249
Crescent Socks (Private) Limited		1,000	600
Shakargang Food Products Limited		3,925	4,070
Premier Insurance Limited		-	1
		<u>5,015</u>	<u>4,920</u>

14. LONG TERM LOANS

Secured - Under shariah arrangement

Long Term Sukuk Certificates	14.1	533,333	666,667
Less: Transaction Cost	14.1.1	(2,846)	(4,241)
		<u>530,487</u>	<u>662,426</u>

Secured - Under non-shariah arrangement

JS Bank Limited	14.2	30,501	32,550
		<u>560,988</u>	<u>694,976</u>
Less: Current portion shown under current liabilities		270,205	270,228
		<u>290,783</u>	<u>424,748</u>

- 14.1** During the year ended June 30, 2023, the Holding Company issued 8,000 unlisted, privately placed & 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 were received on October 11, 2022. The Sukuk certificates carry profit at the rate of 6-months KIBOR + 2% with semi-annual rental payments having tenure of three years from the issue date on arrear basis. Principal repayments installment will commence from April 2023. During the period, the holding company has made repayments of Rs. 133.333 millions of the principal amount. During the period, profit on such arrangement ranged from 24.08% to 24.76%(March 31, 2023: 17.78%) per annum.
- 14.1.1** This represents the cost incurred with respect to issuance of SUKUK certificates, amortized using effective interest rate.

- 14.2** 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 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 this arrangement is 8.47 to 11.35% (March 31, 2022: 8.47% to 11.35%) per annum.

15. TRADE AND OTHER PAYABLES

	Note	Unaudited March 31, 2024	Audited June 30, 2023
		----- (Rupees in '000) -----	
Trade creditors		156,676	72,355
Bills payable		-	38
Commission payable		522	522
Customer's security deposits		972	-
Accrued liabilities		789,733	611,814
Advances from customers		216,629	348,951
Provisions		323,733	287,643
Due to related parties	15.1	23,791	19,534
Payable to provident fund		2,902	127
Payable to staff retirement benefit funds		3,223	2,823
Retention money		110	2,980
Withholding tax payable		3,873	6,897
Workers' Profit Participation Fund		73,515	18,529
Workers' Welfare Fund		25,523	7,640
Others		86,536	56,172
		<u>1,707,737</u>	<u>1,436,025</u>
15.1 Due to related parties			
Premier Insurance Company Limited		32	-
Shakarganj Limited		23,759	19,534
		<u>23,791</u>	<u>19,534</u>

16. SHORT TERM BORROWINGS

Secured from banking companies

Running finances under mark-up arrangements	16.1	597,894	463,654
Short term loans	16.2	1,096,706	825,865
		<u>1,694,600</u>	<u>1,289,519</u>

- 16.1** Running finances facility / money market facilities available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 1,000 million (June 30, 2023: Rs. 1,150 million) out of which Rs. 300 million (June 30, 2023: Rs. 300 million), Rs. 100 million (June 30, 2023: Rs. 100 million) and Rs. 300 million (June 30, 2023: Rs. 300 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 22.23% to 25.23% (March 31, 2023: 17.03% to 24.01%) per annum.
- 16.2** Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 2,050 million (June 30, 2023: Rs. 3,950 million) out of which Rs. 1,950 million (June 30, 2023: Rs. 3,150 million), Rs. 100 million (June 30, 2023: Rs. 205 million) and Rs. 300 million (June 30, 2023: Rs. 350 million) are interchangeable with letters of credit, letters of guarantee and short term running finance facilities, respectively. During the period, the mark-up on such arrangements ranged from 22.65% to 24.93% (March 31, 2023: 17.08% to 24.01%) per annum.
- 16.3** The facilities for opening letters of credit amounted to Rs. 3,800 million (June 30, 2023: Rs. 4,750 million) out of which Rs. 300 million (June 30, 2023: Rs. 300 million), Rs. 3,050 million (June 30, 2023: Rs. 3,150 million) and Rs. 205 million (June 30, 2023: Rs. 205 million) are interchangeable with short term running finance facilities, short term loans and letters of guarantee respectively as mentioned in notes 15.1 and 15.2 above. The facility for letters of guarantee as at March 31, 2024 amounted to Rs. 2,071 million (June 30, 2023: Rs. 2,368.6 million). Amounts unutilized for letters of credit and guarantees as at March 31, 2024 were Rs. 1,569 million and Rs. 62.909 million (June 30, 2023: Rs. 4,251 million and Rs. 380.15 million), respectively.
- 16.4** These includes an amount of Rs. 883.009 million (June 30, 2023: Rs. 438 million outstanding against Islamic mode of financing. The Holding Company is currently availing Islamic mode of financing from the Al Baraka Bank, Dubai Islamic Bank and Bank Islami Pakistan Limited. Facilities availed include letters of credit, bank guarantees, Wakala, Morabaha, Istisna and Ijarah financing.
- 16.5** The above facilities are expiring on various dates with maturity periods upto February 28, 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 12.2) and lien over import / export document. Further, these facilities (refer notes 16.1 to 16.3) are also secured against pledged of shares owned by the Subsidiary Company i.e. CS Capital (Private) Limited.

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There is no significant change in the status of the matters as set out in note 12.3, 15, 29.3 and 30.1 to the Group's annual consolidated financial statements for the year ended June 30, 2023.

17.2 Commitments

- 17.2.1** Aggregate amount of guarantees issued by banks on behalf of the Group against various contracts aggregated to Rs. 2,108.55 million (June 30, 2023: Rs. 1,988.450 million). These include guarantees issued by Islamic banks amounting to Rs. 214.586 million (June 30, 2023: Rs. 153.591 million).
- 17.2.2** Commitments in respect of capital expenditure contracted for by the Holding Company as at March 31, 2024 amounted to Rs. 41.659 million (June 30, 2023: Rs. 34.659 million).
- 17.2.3** Commitments under letters of credit as at March 31, 2024 amounted to Rs. 1,033 million (June 30, 2023: Rs. 498.92 million).

18. SALES	Note	Unaudited		Unaudited	
		Quarter ended		Nine months ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----			
Local sales					
Bare pipes	18.1	1,106,612	500,063	4,260,328	1,914,630
Pipe coating		962	-	411,675	16,331
Pre coated pipes		425,752	704,529	1,633,638	745,748
Cotton yarn / raw cotton		65,289	214,454	65,289	1,111,815
Others		33,636	14,076	130,296	132,904
Scrap / waste		-	90,325	178,872	177,044
		1,632,251	1,523,447	6,680,098	4,098,472
Sales tax		(249,033)	(249,880)	(1,019,462)	(608,424)
		1,383,218	1,273,567	5,660,636	3,490,048

18.1 This includes revenue amounting to Rs. 2,007.231 Million (March 31, 2023: Rs Nil) where HRC (Hot Rolled Coil) was supplied by the customer.

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

		Unaudited		Unaudited	
		Quarter ended		Nine months ended	
	Note	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- (Rupees in '000) -----					
19. INCOME FROM INVESTMENTS - NET					
Dividend income	19.1	33,066	25,890	93,028	74,898
Gain on mutual fund		271	-	271	-
Gain / (loss) on sale of FVTPL investments - net	19.2	26,969	(848)	37,634	11,355
Gain on commodity future contracts		-	-	317	-
Unrealized gain / (loss) on FVTPL investments - net	19.3	9,890	(9,004)	305,153	(79,046)
Gain in money market		332	-	1,846	-
Rent from investment properties	19.5	2,030	1,934	6,075	5,800
		72,558	17,972	444,324	13,007

19.1 This includes Rs. 45.69 million (March 31, 2023: Rs. 34.15 million) earned on investments in Shariah Compliant Investee Companies.

19.2 This includes loss of Rs. 7.143 million (March 31, 2023: Rs. 1.23 million) incurred on sale of investments in Shariah Compliant Investee Companies.

19.3 This includes loss of Rs. 53.239 million (March 31, 2023: Rs. 62.68 million) on investments in Shariah Compliant Investee Companies.

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

19.5 Direct operating expenses incurred against rental income from investment properties amounted to Rs. 2.954 million (March 31, 2023: Rs. 3.20 million).

20. OTHER OPERATING EXPENSES

	Unaudited Quarter ended		Unaudited Nine months ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----			
Exchange loss	-	4,151	-	4,151
Provision for:				
Workers' Profit Participation Fund	5,184	7,024	54,987	7,024
Workers' Welfare Fund	523	-	17,883	-
Slow moving stores, spares and loose tools	-	-	9,032	-
Fixed assets written off	689	-	5,346	-
Impairment loss on trade debts	-	-	848	-
Others	-	1,161	30	1,161
Impairment charge relating to capital work in process	-	-	33,223	-
	<u>40,467</u>	<u>12,336</u>	<u>155,420</u>	<u>12,336</u>

21. FINANCE COSTS

Mark-up on short term loans - Shariah arrangement	14,086	10,629	45,015	30,627
Interest on - Non - Shariah arrangement				
- finance lease obligations	13,636	2,522	32,483	6,682
- long term loan	34,306	37,892	111,694	77,998
- running finances / short term loans	37,850	43,223	173,765	125,188
Bank charges	955	290	4,122	2,252
	<u>100,833</u>	<u>94,556</u>	<u>367,079</u>	<u>242,747</u>

22. EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period	<u>245,130</u>	<u>277,448</u>	<u>1,108,280</u>	<u>267,054</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>77,632,491</u>	<u>77,632,491</u>	<u>77,632,491</u>	<u>77,632,491</u>
	----- (Rupees) -----			
Earnings per share - Basic and diluted	<u>3.16</u>	<u>3.57</u>	<u>14.28</u>	<u>3.44</u>

23. CASH USED IN OPERATIONS

	Note	Unaudited Nine months ended	
		March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----	
Profit before taxation		1,632,732	271,684
Adjustments for non cash charges and other items			
Depreciation on operating fixed assets and investment properties		197,270	173,223
Amortization of intangible assets		1,349	1,627
Charge for the period on staff retirement benefit funds		48,013	22,723
Dividend income		(93,028)	(74,898)
Unrealized (gain) / loss on FVTPL investments - net		(305,153)	79,046
Realized gain on mutual fund		(271)	-
Realized gain on commodities		(317)	-
Realized gain on money market		(1,846)	-
Realized gain on sale of FVTPL investments - net		(37,634)	(11,355)
Provision for stores, spares and loose tools - net		9,032	(3,856)
Impairment loss on trade debts - net		848	-
Provision for Workers' Welfare Fund		17,883	-
Provision for Workers' Profit Participation Fund		54,987	7,024
Property, plant and equipment written off		5,346	-
Return on deposits		(53,668)	(24,534)
Gain on disposal of operating fixed assets		(1,702)	(7,356)
Deferred income		(404)	(4,075)
Unwinding of discount on long term deposit		(2,489)	(1,982)
Impairment charge relating to capital work in process		33,223	-
Finance costs		367,099	242,751
Share of profit from equity accounted investees - net of taxation		(440,630)	(385,530)
Working capital changes	23.1	(2,046,430)	(403,923)
		(615,790)	(119,431)
23.1 Working capital changes			
<i>Increase in current assets</i>			
Stores, spares and loose tools		(85,053)	(107,954)
Stock-in-trade		(932,029)	181,995
Trade debts		(1,439,651)	(447,536)
Advances		19,079	(82,423)
Trade deposits and short term prepayments		(1,536)	(639)
Other receivables		194,317	(268,106)
		(2,244,873)	(724,663)
<i>Increase in current liabilities</i>			
Trade and other payables		198,443	320,740
		(2,046,430)	(403,923)
24. CASH AND CASH EQUIVALENTS			
Running finances under mark-up arrangements		(597,894)	(454,525)
Cash and bank balances		247,913	230,310
		(349,981)	(224,215)
25. SEGMENT REPORTING			
25.1 Reportable segments			
The Group's reportable segments are as follows:			
-			
Steel segment - It comprises of manufacturing and coating of steel pipes.			
-			
Cotton segment - It comprises of manufacturing of yarn.			
-			
Investment and Infrastructure Development (IID) segment - To effectively manage the investment portfolio in shares and other securities (strategic as well as short term) and investment properties (held for rentals as well as long term appreciation).			
-			
Energy segment - It comprises of generating and supplying electricity/power.			
-			
Hadeed (Billet) segment - It comprises of manufacturing billets.			
Information regarding the Group's reportable segments is presented below:			

25.2 Segment revenues and results

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

For the nine months ended March 31, 2024	Unaudited						Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments elimination / adjustments	
(Rupees in '000)							
Sales - net	5,605,305	55,331	-	-	-	-	5,660,636
Cost of sales	3,827,805	147,660	45,993	46,410	-	-	4,067,868
Gross profit / (loss)	1,777,500	(92,329)	(45,993)	(46,410)	-	-	1,592,768
Income from investments	-	-	-	-	444,324	-	444,324
	1,777,500	(92,329)	(45,993)	(46,410)	444,324	-	2,037,092
Distribution and selling expenses	89,056	3,029	-	1,320	-	-	93,405
Administrative expenses	278,240	36,725	997	11,846	26,880	-	354,688
Other operating expenses	111,870	4,983	(204)	4,700	-	-	121,349
	479,166	44,737	793	17,866	26,880	-	569,442
	1,298,334	(137,066)	(46,786)	(64,276)	417,444	-	1,467,650
Other income	83,641	5,303	-	400	2,111	-	91,455
Operating profit / (loss) before finance costs	1,381,975	(131,763)	(46,786)	(63,876)	419,555	-	1,559,105
Finance costs	357,216	9,302	1	154	426	-	367,099
Share of profit in equity accounted investees - net of taxation	-	-	-	-	440,630	-	440,630
Profit / (loss) before taxation	1,024,759	(141,065)	(46,787)	(64,030)	859,759	-	1,632,636
Taxation							(524,452)
Profit for the period							1,108,184

For the nine months ended March 31, 2023	Unaudited						Total
	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Inter-segments elimination / adjustments	
	(Rupees in '000)						
Sales - net	2,420,962	975,061	-	94,025	-	-	3,490,048
Cost of sales	1,908,971	1,027,118	46,984	141,253	-	-	3,124,326
Gross profit / (loss)	511,991	(52,057)	(46,984)	(47,228)	-	-	365,722
Income from investments - net	-	-	-	-	13,007	-	13,007
	511,991	(52,057)	(46,984)	(47,228)	13,007	-	378,729
Distribution and selling expenses	13,744	3,169	-	1,297	-	-	18,210
Administrative expenses	197,979	35,859	844	12,615	18,126	-	265,423
Other operating expenses	7,701	644	-	2,830	1,161	-	12,336
	219,424	39,672	844	16,742	19,287	-	295,969
	292,567	(91,729)	(47,828)	(63,970)	(6,280)	-	82,760
Other income	40,560	5,585	-	-	-	-	46,145
Operating profit / (loss) before finance costs	333,127	(86,144)	(47,828)	(63,970)	(6,280)	-	128,905
Finance costs	214,423	18,127	-	6,077	4,124	-	242,751
Share of profit in equity accounted investees - net of taxation	-	-	-	-	385,530	-	385,530
Profit / (loss) before taxation	118,704	(104,271)	(47,828)	(70,047)	375,126	-	271,684
Taxation							(4,630)
Profit for the period							267,054

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

25.2.3 The accounting policies of the reportable segments are the same as the Group's accounting policies as described in the annual consolidated financial statements of the Group for the year ended June 30, 2023. The Steel segment allocates certain percentage of the common expenditure to the Cotton, Energy, Hadeed (Billet) and IID segments. In addition, finance costs between Steel and Cotton segments are allocated at average mark-up rate on the basis of funds utilized. This is the measure reported to management for the purposes of resource allocation and assessment of segment performance.

25.3 Revenue from major products and services

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

25.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 5,205.244 million (March 31, 2023: Rs. 2,591.828 million) of total Steel segment revenue of Rs. 5,605.305 million (March 31, 2023: Rs. 2,420.962 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. 55.331 million (March 31, 2023: Rs. 490.056 million) of total Cotton segment revenue of Rs. 55.331 million (March 31, 2023: Rs. 975.061 million). Revenue from major customers of Energy segment represents an aggregate amount of Rs. Nil (March 31, 2023: Rs. 458.316 million) of total Energy segment revenue of Rs. Nil (March 31, 2023: Rs. Nil). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. Nil (March 31, 2023: Rs. 1,190.646 million) of total Hadeed (Billet) segment revenue of Rs. Nil million (March 31, 2023: Rs. 94.025 million).

25.5 Geographical information

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

25.5.2 All non-current assets of the Group as at March 31, 2024 and June 30, 2023 were located and operating in Pakistan.

25.6 Segment assets and liabilities

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

	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
	(Rupees in '000)					
As at March 31, 2024 - Unaudited						
Segment assets for reportable segments	5,811,428	223,985	589,705	635,442	1,700,151	8,960,710
Investment in equity accounted investees	-	-	-	-	2,784,271	2,784,271
Unallocated corporate assets						1,311,006
Total assets as per consolidated statement of financial position						13,055,987
Segment liabilities for reportable segments	1,817,239	130,570	81,295	84,190	14,333	2,127,626
Unallocated corporate liabilities and deferred income						2,530,948
Total liabilities as per consolidated statement of financial position						4,658,574
As at June 30, 2023 - Audited						
Segment assets for reportable segments	3,685,849	230,380	630,821	677,091	1,617,029	6,841,170
Investment in equity accounted investees	-	-	-	-	2,948,286	2,948,286
Unallocated corporate assets						1,763,582
Total assets as per consolidated statement of financial position						11,553,038
Segment liabilities for reportable segments	1,417,450	130,373	81,238	78,752	13,559	1,721,372
Unallocated corporate liabilities and deferred income						2,155,128
Total liabilities as per consolidated statement of financial position						3,876,500

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

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

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

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

25.7 Other segment information
**For the nine months ended
March 31, 2024**

	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
Capital expenditure	114,731	-	3,633	522	-	118,886
Depreciation and amortization	98,829	12,549	44,790	38,647	3,804	198,619
Non-cash items other than depreciation and amortization	453,297	20,587	(202)	4,979	(880,635)	(401,974)

**For the nine months ended
March 31, 2023**

	Steel segment	Cotton segment	Energy segment	Hadeed (Billet) segment	IID segment	Total
Capital expenditure	204,271	2,250	3,657	16,099	-	226,277
Depreciation and amortization	69,735	17,753	45,026	38,675	3,661	174,850
Non-cash items other than depreciation and amortization	199,445	19,989	1	6,179	(387,656)	(162,042)

26. TRANSACTIONS WITH RELATED PARTIES

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

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

Name of entity	Nature of relationship	Nature of transaction	Unaudited Nine months ended	
			March 31, 2024	March 31, 2023
			(Rupees in '000)	
Altern Energy Limited	Associated company	Dividend income	604,493	-
		Dividend received	604,493	-
Shakarganj Limited	Associated company	Reimbursable expenses	5,041	7,541
		Sales return	24	-
		Services rendered	791	-
		Dividend paid	360	-
Shakarganj Food Products Limited	Related party	Reimbursable expense	3,181	-
		Rent	2,080	1,881
		Services rendered	-	2,313
		Receiving of services	2,362	2,045
		Payments received	2,500	2,500
The Crescent Textile Mills Limited	Associated company	Rent	2,758	1,379
		Payment received	5,306	2,485
		Reimbursable expense	2,567	933
		Dividend income	7,977	-
		Dividend received	7,977	-
		Dividend paid	17,077	-
Crescent Socks (Private) Limited	Related party	Rent	900	900
		Payment Received	500	1,500
The Citizens' Foundation*	Related party	Donation given	22,324	13,723
Indus Valley School of Arts and Architecture	Related party	Donation given	2,500	-
CSAP Foundation *	Related party	Donation given	48	-
Pakistan Centre for Philanthropy *	Related party	Annual membership fee	360	-
		Payment of annual membership fee	360	-
Premier Insurance Limited*	Related party	Receiving of services	6,633	6,855
		Payments made	6,730	7,259
		Dividend paid	283	-

Continued ... Note 25: TRANSACTIONS WITH RELATED PARTIES

Name of entity	Nature of relationship	Nature of transaction	Nine months ended	
			March 31, 2024	March 31, 2023
			----- (Rupees in '000) -----	
Pak-Qatar Asset Management Company Limited*	Related party	Units in cash plan	100,000	-
		Loan repayment	20,000	-
		Profit repayment	12,073	-
		Dividend paid	15,450	-
Pak Electron Limited*	Related party	Sales made	122,653	123,952
		Payment received	97,018	145,224
Meezan Bank Limited*	Related party	Dividend Income	2,514	-
		Dividend Received	2,514	-
		Sale of investment	10,196	-
International Steels Limited*	Related party	Dividend Income	658	-
		Dividend Received	658	-
		Sale of investment	4,918	-
		Purchase of investment	671	-
CSAP - Staff Benevolent Fund	Staff Welfare Fund	Contribution made	-	3
		Dividend paid	72	-
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	1,342	-
Crescent Hadeed (Private) Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	379	-
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	7,849	6,424
		Dividend paid	3,877	-
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	19,891	16,238
		Dividend paid	8,077	-
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	10,104	10,387
		Dividend paid	248	-
Key management personnel	Related parties	Remuneration and benefits	171,216	137,055
		Dividend paid	9,662	-
Chairman of the Board	Related party	Honorarium	1,450	1,350
Directors	Related parties	Meeting fee	2,650	1,585
		Dividend paid	4,488	-

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

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

27. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in annual consolidated financial statements of the Group for the year ended June 30, 2023.

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:

March 31, 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	754,101	114,473	-	868,574	868,574	-	-	868,574
- Unlisted equity securities	715,632	-	-	715,632	-	-	715,632	715,632
	1,469,733	114,473	-	1,584,206	868,574	-	715,632	1,584,206
Financial assets not measured at fair value								
Term deposit receipt	-	-	84,360	84,360	-	-	-	-
Deposits	-	-	77,334	77,334	-	-	-	-
Trade debts	-	-	1,902,846	1,902,846	-	-	-	-
Other receivables	-	-	103,223	103,223	-	-	-	-
Bank balances	-	-	247,913	247,913	-	-	-	-
	-	-	2,500,036	2,500,036	-	-	-	-
Financial liabilities not measured at fair value								
Long term loans	-	-	560,988	560,988	-	-	-	-
Lease liabilities	-	-	261,367	261,367	-	-	-	-
Trade and other payables	-	-	1,064,464	1,064,464	-	-	-	-
Mark-up accrued	-	-	102,643	102,643	-	-	-	-
Short term borrowings	-	-	1,694,600	1,694,600	-	-	-	-
	-	-	3,684,062	3,684,062	-	-	-	-

June 30, 2023 (Audited)

Fair value through profit or loss	Fair value through other comprehensive income	Carrying amount			Fair value			
		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	834,227	102,906	-	-	937,133	937,133	-	-	937,133
- Unlisted equity securities	659,901	-	-	-	659,901	-	-	659,901	659,901
	1,494,128	102,906	-	-	1,597,034	937,133	-	659,901	1,597,034

**Financial assets not
measured at fair value**

Term deposit receipt	-	-	84,360	-	84,360	-	-	-	-
Deposits	-	-	33,180	-	33,180	-	-	-	-
Trade debts	-	-	464,043	-	464,043	-	-	-	-
Other receivables	-	-	187,979	-	187,979	-	-	-	-
Bank balances	-	-	36,248	-	36,248	-	-	-	-
	-	-	805,810	-	805,810	-	-	-	-

**Financial liabilities not
measured at fair value**

Long term loan	-	-	-	694,976	694,976	-	-	-	-
Lease liabilities	-	-	-	76,673	76,673	-	-	-	-
Trade and other payable	-	-	-	1,095,781	1,095,781	-	-	-	-
Unclaimed dividend	-	-	-	16,081	16,081	-	-	-	-
Mark-up accrued	-	-	-	79,061	79,061	-	-	-	-
Short term borrowings	-	-	-	1,289,519	1,289,519	-	-	-	-
	-	-	-	3,252,091	3,252,091	-	-	-	-

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 repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

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

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

27.1 Valuation techniques and significant unobservable inputs

The Group's long-term investments as disclosed in note 7 include Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited which are unquoted investments. During the period, the respective fair valuation models were updated to reflect the most recent market data changes. However, the Group has determined that due to these updates no material changes are required in the carrying amount of these investments hence these have been carried at the same value determined as of December 31, 2023.

28. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue in the Board of Directors meeting held on April 29, 2024.



Chief Executive



Director



Chief Financial Officer

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