



Crescent Steel and  
Allied Products Limited



# a New **STRIDE**

Condensed Interim Report  
for the first quarter ended  
30 September

2017





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# COMPANY INFORMATION

## BOARD OF DIRECTORS

Ahmad Waqar  
Chairman, Non-Executive Director  
(Independent)

Ahsan M. Saleem  
Chief Executive Officer and Managing  
Director

Farrukh V. Junaidy  
Non-Executive Director (Independent)  
NIT Nominee

Nasir Shafi  
Non-Executive Director

S.M. Ehtishamullah  
Non-Executive Director

Syed Zahid Hussain  
Non-Executive Director (Independent)

Zahid Bashir  
Non-Executive Director

## COMPANY SECRETARY

Muhammad Saad Thaniana

## AUDIT COMMITTEE

Syed Zahid Hussain  
Chairman, Non-Executive Director  
(Independent)

Farrukh V. Junaidy  
Member, Non-Executive Director  
(Independent)

Nasir Shafi  
Member, Non-Executive Director

S.M. Ehtishamullah  
Member, Non-Executive Director

## HUMAN RESOURCE AND REMUNERATION COMMITTEE

Zahid Bashir  
Chairman, Non-Executive Director

Nasir Shafi  
Member, Non-Executive Director

S.M. Ehtishamullah  
Member, Non-Executive Director

Syed Zahid Hussain  
Member, Non-Executive Director  
(Independent)

## GOVERNANCE AND EVALUATION COMMITTEE

Ahmad Waqar  
Chairman, Non-Executive Director  
(Independent)

Ahsan M. Saleem  
Member, Chief Executive Officer

Zahid Bashir  
Member, Non-Executive Director

## MANAGEMENT TEAM

Ahsan M. Saleem – 1983\*  
Chief Executive Officer and Managing  
Director

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

Abdul Rouf – 2000\*  
BU Head – Cotton Division

Arif Raza – 1985\*  
BU Head – Steel Division

Ehsan Durrani – 2008\*  
Human Resource Advisor

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

Hasan Altaf Saleem – 2010\*  
Resident Director and  
COO Crescent Hadeed (Private)  
Limited

Iqbal Abdulla – 2014\*  
IT Advisor

Iqbal Zafar Siddiqui – 2008\*  
Head of Supply Chain and CEO  
Crescent Hadeed (Private) Limited

Mushtaque Ahmed – 1985\*  
Head of Manufacturing – Steel  
Division

## HEAD OF INTERNAL AUDIT

Muhammad Fahad - 2010\*

## AUDITORS

### EXTERNAL AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants

### INTERNAL AUDITORS

BDO Ebrahim & Co  
Chartered Accountants

## LEGAL ADVISOR

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

## BANKERS

### CONVENTIONAL

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

### SHARIAH COMPLIANT

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

\* Year of joining

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

## SUBSIDIARIES\*

Crescent Hadeed (Private) Limited  
CS Capital (Private) Limited  
Shakarganj Energy (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: ejaz.ahmed@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 Summudri Road, Dalawal, District Faisalabad, Punjab.  
Tel : +92 41 2569 825-26  
Fax: +92 41 2679 825

### CRESCENT HADEED (PRIVATE) LIMITED

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

### 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

### POWER PLANT

#### SHAKARGANJ ENERGY (PRIVATE) LIMITED

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 contact

Mr. Umair Ali Bhatti  
*Manager Treasury and Corporate Compliance*

9th Floor, Sidco Avenue Centre, 264 R.A. Lines, Karachi-74200.  
Tel: +92 21 3567 4881-85  
Email: umair.bhatti@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](http://www.crescent.com.pk) or scan QR code



For Condensed Interim Report for the first quarter ended 30 September 2017, go to <http://crescent.com.pk/wp-content/uploads/2017/10/Quarter-Sep17.pdf> or scan QR code



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

# COMPANY PROFILE

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

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

The Company's Steel Division operates two Helical Seam Submerged Arc Welded Steel Pipe manufacturing lines and an external coating application line at Nooriabad and, a fabrication facility - Shakarganj Engineering - in Dalawal, Faisalabad.

The Pipe Plant manufactures high quality steel pipes in the diameter range of 8" - 120" (219 mm - 3,048 mm) in wall thickness from 4 mm - 25 mm up to lengths of 40 feet per pipe and material grades up to API 5L X-100. The unit has authorization to use API monogram of the American

Petroleum Institute (API) - the highest international standard accredited for quality of steel line pipe in the Oil and Gas Sector and also continues to retain the ISO 9001 certification.

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

Crescent Steel is a serious and responsible local line pipe manufacturer that continues to serve as a partner in important national energy projects with demonstrated commitment in terms of quality, experience, financial strength and technical expertise. Over the course of the last 30 years the Company has supplied 3,430 Km, 30% of the national transmission network of 11,370 Km and is the sole operational line pipe manufacturer in the high end segment in the country. The fabrication unit is engaged in fabrication and erection

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

The unit has recently developed the capability to fabricate and erect machinery used in the secondary steel sector and has supplied partial fabrication for a Continuous Caster Machine, girders for overhead cranes and a vibro feeder to the fully owned subsidiary Crescent Hadeed (Private) Limited.

## **COTTON DIVISION - COTTON YARN SPINNING UNIT**

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

CCP is a division of the company but its operating

results are shown separately, CCP as a division holds ISO 9001 Quality Management Credentials, is registered with Ministry of Textile Industry Pakistan and is a member of International Cotton Association Limited (ICA Limited) and All Pakistan Textile Mills Association (APTMA). CCP produces quality cotton/synthetic yarn with value addition of Slub, Siro and Compact Attachments. CCP is equipped with modern high-tech European and Japanese machinery ensuring a high-quality yarn making process, producing various counts from 10s to 31s and has a notional capacity (based on 20s) of 6.36 million Kgs per annum. The brand is known for high quality and demands a premium.

### **INVESTMENT AND INFRASTRUCTURE DEVELOPMENT DIVISION**

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

## **SUBSIDIARY COMPANIES**

### **CS CAPITAL (PRIVATE) LIMITED**

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

### **SHAKARGANJ ENERGY (PRIVATE) LIMITED**

The company operates as a fully owned subsidiary of Crescent Steel and Allied Products Limited and its primary business is to generate, accumulate, distribute, sell and supply electricity to Crescent Hadeed (Private) Limited and to Distribution companies, as permitted.

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

Solution De Energy (Private) Limited  
Solution de Energy (Private) Limited was incorporated in Pakistan in October 2013 as a fully owned subsidiary of Shakarganj Energy (Private) Limited. The principal activity of the Company is to build, own, operate and maintain a 100MW solar power project.

### **CRESCENT HADEED (PRIVATE) LIMITED**

Crescent Hadeed (Private) Limited, a wholly owned subsidiary of Crescent Steel and Allied Products Limited, was incorporated in May 2013 alongside Shakarganj Energy (Private) Limited. The principal activity of the Company is to manufacture steel long products. At present the Company operates a melt shop and billet manufacturing facility with an annual production capacity of 85,000 MT of steel billets in various sizes and a standard length of 6 meters. The billets manufactured at our facility are used by re-rolling mills to manufacture rebar and other steel long products for use in the construction and engineering sectors. Successfully concluding the trial-run in May 2016, CHL commenced commercial production from 1 June 2016 and is well positioned to capture the growth in the engineering segment.

# DIRECTORS' REVIEW

Dear Shareholders,

I am pleased to present the unaudited unconsolidated and consolidated interim financial information of the Company and Group respectively for the quarter ended 30 September 2017.

## Economic Outlook

Medium-Long term outlook is favorable with growth projected between 5-6% in FY18 and remain stable over the next three years. Execution of economic and structural reforms, improved security and managing the growing deficit will underpin sustained growth. In the immediate short term political uncertainty will affect cross border conditions and pace of projects, however with fundamental improvements in energy infrastructure, planned projects (both domestic and bilateral) and growing domestic demand will trigger growth, increase access to markets and supported by planned reforms and effective balance of payments management any adverse shocks can be adequately absorbed.

## Financial and Operational Performance

### Overall financial performance

The Company's Q1FY18 profit after tax (PAT) amounted to Rs. 422.2 million, as compared to after tax profit of Rs. 374.9 million in the corresponding period last year. Earnings per share (EPS) for the period stood at Rs. 5.44 as compared to Rs. 4.83 in the corresponding period last year.

Company's sales revenue stood at Rs. 3,303.6 million (Q1FY17: Rs. 2,520.6 million) up 31.1% YoY which mainly represents line pipe sales in the Steel division. Investment income from IID division amounted to Rs. 222.7 million (Q1FY17: Rs. 174.2 million).

Gross Profits (GP) stood at Rs. 471 million (Q1FY17: Rs. 500.5 million), contributed entirely by the Steel division which posted a GP of Rs. 481.8 million (Q1FY17: Rs. 513.9 million).

The Company posted profit before tax (PBT) of Rs. 525.9 million (Q1FY17: Rs. 479.5 million). The Steel division PBT for the period stood at Rs. 325.7 million (Q1FY17: Rs. 333.6 million) whereas loss before tax (LBT) from Cotton division stood at Rs. 14.9 million (Q1FY17: Rs. 23.6 million). IID posted a PBT of Rs. 215.1 million (Q1FY17: Rs. 169.4 million)

### Summary of operating results as per unconsolidated financial information of the Company

- Sales revenue increased 31% to Rs. 3,303.6 million as compared to Rs. 2,520.6 million in Q1FY17.
- Profit from Investments amounted to Rs. 222.7 million as compared to Rs. 174.2 million in Q1FY17, while other income increased to Rs. 13.6 million as compared to Rs. 7 million in Q1FY17.
- Gross Profit decreased 5.89% to Rs. 471 million as compared to Rs. 500.5 million in Q1FY17.

- EBIT was up 12.5% at Rs. 605.2 million as compared to Rs. 538.1 million in Q1FY17.
- EBITDA was up at 12% at Rs. 631.1 million (Budgeted: Rs. 449.9 million) as compared to Rs. 563.4 million in Q1FY17.
- EPS increased to Rs. 5.44 for the current period, as compared to EPS of Rs. 4.83 for Q1FY17.
- Return on average capital employed (annualized) was 22.4 % for the current period as compared to 25.7% in the corresponding period last year.
- Break-up value per share increased to Rs. 93.3 from Rs. 87.8 as at 30 June 2017.

## Business Segments

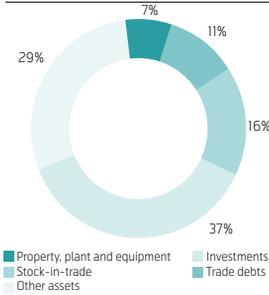
### Steel

#### Segment performance

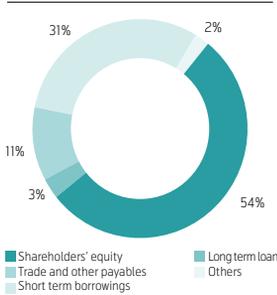
The Steel division reported PBT of Rs. 325.8 million (Q1FY17: Rs. 333.6 million). Space utilization remained high throughout the period.

Revenue amounting to Rs. 3,290.2 million was generated during the current period, up by 48.7% YoY, vis-à-vis Rs. 2,212.2 million during Q1FY17. Gross Profit (GP) decreased to Rs. 481.8 million compared to Rs. 513.9 million in Q1FY17, primarily on account of increasing HRC prices.

### Total Assets



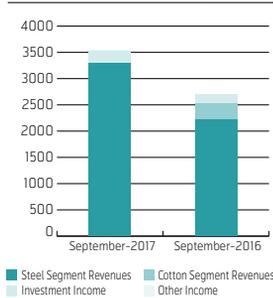
### Total Liabilities



### Profit from Operations



### Revenue and Income



## Investment and Infrastructure Development (IID)

### Market Review

The benchmark KSE-100 index remained under pressure shedding 8.93% during the first quarter of fiscal year 2018. Volumes continued to remain on the lower side with average daily turnover stood at 178 million shares compared to 281 million shares in Q4FY17 and average daily traded value at USD 88.9 million compared to USD 145 million in Q4FY17.

### Segment performance

During the period ended 30 September 2017, the IID division's HFT segment recorded

a negative ROI of 4.93% on weighted average investments of Rs. 498.8 million. The portfolio's accumulated profit before tax (PBT) for the period ended 30 September 2017 stood at Rs. 215.1 million, as against Q1FY17 (PBT) of Rs. 169.4 million. Profits mainly comprise dividend income of Rs. 255.1 million.

### Overall financial performance - Consolidated

On consolidated basis, operating profit before finance cost amounted to Rs. 226.2 million (Q1FY17: Rs. 313.8 million). Net share of profit from equity accounted associates amounted to Rs. 42.7 million (Q1FY17: Rs. 53.7 million).

Consequently, consolidated profit after tax and EPS of the Group for Q1FY18 amounted to Rs. 89.6 million and Rs. 1.15 per share as compared to profit after tax of Rs. 201.4 million and EPS of Rs. 2.59 per share respectively in the corresponding period last year.

During Q1FY18 Shakarganj Energy (Private) Limited (SEL) reported loss of Rs. 84.4 million (Q1FY17: loss Rs. 85.5 million).

During Q1FY18 Crescent Hadeed (Private) Limited (CHL) reported loss of Rs. 30 million (Q1FY17: Rs. 39.6 million).

As per consolidated results, loss before taxation (LBT) for the IID division, including CSCL, for the period ended 30 September 2017, was Rs. 4.9 million against profit before taxation (PBT) of Rs. 111.5 million in Q1FY17.

The LBT constitutes Rs. 54 million in unrealized losses and a share of profit (net) of Rs. 42.5 million from equity accounted investments.

## Financial Position

### Balance sheet

Balance sheet footing stood at Rs. 13,430.0 million as of September 30, 2017, compared to Rs. 12,179.6 million as of June 30, 2017. Break-up value per share increased to Rs. 93.3 from Rs. 87.8 as at June 30, 2017.

Current ratio as at September 30, 2017 was maintained at 1.4:1 from 1.4:1 at 30 June 2017. Gearing ratio increased to 38.2% as at September 30, 2017 from 31% as at June 30, 2017.

## DIRECTORS' REVIEW

On a Group basis, the consolidated balance sheet footing increased to Rs. 15,601 million, compared to Rs. 14,810 million as of June 30, 2017. Total shareholders' fund increased to Rs. 8,702.9 million from Rs. 8,601.4 million as of June 30, 2017. Break-up value per share increased to Rs. 112.10 from Rs. 110.8 as at June 30, 2017.

### Future Outlook

Moving into in the second quarter we expect to remain busy (albeit at slower pace) with both pipe and pipe coating orders in hand. We have also participated in a tenders issued by gas utilities companies, of

which results are expected soon. We foresee a gap in fresh orders in take towards the end of second quarter and beginning of third quarter. However, we see robust demand thereafter. Political risks leading to execution risk and rising steel market will continue to pose challenges. Our focus will be to concentrate on capacity utilization and prudent raw material sourcing.

Outlook on the capital market remains neutral as liquidity is strong and market remains discounted at forward PE of 8.2x. Political and economic uncertainty will continue to keep

markets under pressure with positive medium – long term outlook.

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



**Ahsan M. Saleem**

Chief Executive Officer



**Zahid Bashir**

Director

26 October 2017

**Crescent Steel and Allied Products Limited**

# **CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION**

**FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2017**

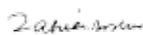
# CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET

As at 30 September 2017

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	952,795	940,606
Intangible assets		702	977
Investment properties		14,314	15,314
Long term investments	6	4,503,202	4,204,446
Long term deposits	7	197,108	188,650
		<b>5,668,121</b>	<b>5,349,993</b>
<b>Current assets</b>			
Stores, spares and loose tools		173,901	163,185
Stock-in-trade	8	2,112,790	2,686,682
Trade debts	9	1,449,582	663,671
Loans and advances		371,763	378,023
Trade deposits and short term prepayments		18,319	14,675
Investments	11	481,705	514,984
Mark-up accrued	12	8,444	1,480
Other receivables	13	2,311,227	1,745,625
Taxation - net		819,357	632,799
Cash and bank balances		15,334	28,471
		<b>7,762,422</b>	<b>6,829,595</b>
<b>Total assets</b>		<b>13,430,543</b>	<b>12,179,588</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
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		1,034,742	1,033,823
Revenue reserves		5,431,741	5,009,569
		<b>7,242,808</b>	<b>6,819,717</b>
<b>Non-current liabilities</b>			
Long term loans	14	273,697	322,481
Liabilities against assets subject to finance lease		69,281	63,606
Deferred income		8,822	7,471
Deferred taxation		222,622	232,847
		<b>574,422</b>	<b>626,405</b>
<b>Current liabilities</b>			
Trade and other payables	15	1,426,844	2,001,890
Mark-up accrued		32,005	27,892
Short term borrowings	16	3,968,456	2,517,336
Current portion of long term loans	14	140,500	140,500
Current portion of liabilities against assets subject to finance lease		40,756	41,700
Current portion of deferred income		4,752	4,148
		<b>5,613,313</b>	<b>4,733,466</b>
Contingencies and commitments	17		
<b>Total equity and liabilities</b>		<b>13,430,543</b>	<b>12,179,588</b>

The annexed notes from 1 to 28 form an integral part of this condensed interim unconsolidated financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer



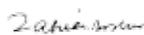
# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	First quarter ended	
	30 September 2017	30 September 2016
Profit for the period	422,172	374,972
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Unrealized appreciation during the period on remeasurement of investments classified as 'available for sale'	919	1,412
<b>Total comprehensive income for the period</b>	<b>423,091</b>	<b>376,384</b>

The annexed notes from 1 to 28 form an integral part of this condensed interim unconsolidated financial information.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

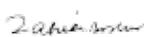
# CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	First quarter ended	
		30 September 2017	30 September 2016
<b>Cash flows from operating activities</b>			
Cash (used in) / generated from operations	23	(825,373)	679,958
Taxes paid		(300,527)	(149,191)
Finance costs paid		(69,755)	(43,214)
Contribution to gratuity and pension funds		-	(4,466)
Contribution to Workers' Profit Participation Fund		(111)	-
Infrastructure fee paid		(17,008)	(3,333)
Compensated absences paid		(285)	(78)
10-C bonus paid		(1,913)	(1,778)
Long term deposits - net		(7,507)	-
Net cash (used in) / generated from operating activities		(1,222,479)	477,898
<b>Cash flows from investing activities</b>			
Capital expenditure		(33,775)	(32,395)
Acquisition of intangible assets		-	(1,571)
Proceeds from disposal of operating fixed assets		108	3,205
Proceeds from disposal of operating fixed assets under sale and leaseback arrangement		14,995	-
Investments - net		(296,080)	15,223
Dividend income received		243,548	142,098
Interest income received		180	262
Net cash (used in) / generated from investing activities		(71,024)	126,822
<b>Cash flows from financing activities</b>			
Repayment of long term loans - net		(48,784)	(19,500)
Payments against finance lease obligations		(12,816)	(50,408)
Proceeds from / (repayment of) short term loans obtained - net		1,259,579	(394,368)
Dividends paid		(109,154)	(108,531)
Net cash generated from / (used in) financing activities		1,088,825	(572,807)
Net (decrease) / increase in cash and cash equivalents		(204,678)	31,913
Cash and cash equivalents at beginning of the period		(219,311)	(116,935)
Cash and cash equivalents at end of the period	24	(423,989)	(85,022)

The annexed notes from 1 to 28 form an integral part of this condensed interim unconsolidated financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer

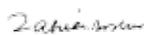
# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 September 2017

	Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Total
		Share premium	Unrealized (diminution)/ appreciation on remeasurement of investments classified as 'available for sale'	General reserve	Unappropriated profit	
Rupees in '000						
Balance as at 30 June 2016	776,325	1,020,908	4,786	2,642,000	1,363,706	5,807,725
Transfer to general reserve	-	-	-	1,000,000	(1,000,000)	-
<b>Total comprehensive income for the period</b>						
Profit after taxation	-	-	-	-	374,972	374,972
<b>Other comprehensive income</b>						
Total other comprehensive income for the period	-	-	1,412	-	-	1,412
Total comprehensive income for the period	-	-	1,412	-	374,972	376,384
<b>Transaction with owners</b>						
<b>Dividend:</b>						
- Final @ 20% (i.e. Rs. 2 per share) for the year ended 30 June 2016	-	-	-	-	(155,264)	(155,264)
Balance as at 30 September 2016	776,325	1,020,908	6,198	3,642,000	583,414	6,028,845
Balance as at 30 June 2017	776,325	1,020,908	12,915	3,642,000	1,367,569	6,819,717
<b>Total comprehensive income for the period</b>						
Profit after taxation	-	-	-	-	422,172	422,172
<b>Other comprehensive income</b>						
Total other comprehensive income for the period	-	-	919	-	-	919
Total comprehensive income for the period	-	-	919	-	422,172	423,091
Balance as at 30 September 2017	776,325	1,020,908	13,834	3,642,000	1,789,741	7,242,808

The annexed notes from 1 to 28 form an integral part of this condensed interim unconsolidated financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

## 1. THE COMPANY AND ITS OPERATIONS

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

The Company operates three segments Steel, Cotton and Investment and Infrastructure Development (IID) segment as disclosed in note 25.

## 2. BASIS OF PREPARATION

- 2.1 This condensed interim unconsolidated financial information of the Company for the three months ended 30 September 2017 has been prepared in accordance with the requirements of the International Accounting Standards 34 "Interim Financial Reporting" and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions of and directives of the repealed Companies Ordinance, 1984 have been followed.
- 2.2 This condensed interim unconsolidated financial information of the Company does not include all of the information required for annual financial statements and should be read in conjunction with the annual unconsolidated financial statements of the Company as at and for the year ended 30 June 2017. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last unconsolidated financial statements.
- 2.3 This condensed interim unconsolidated financial information is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.
- 2.4 This condensed interim unconsolidated financial information is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

## 3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim unconsolidated financial information are the same as those applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended 30 June 2017.

## 4. USE OF ESTIMATES AND JUDGEMENTS

- 4.1 The preparation of condensed interim unconsolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
- 4.2 Estimates and judgements made by management in the preparation of this condensed interim unconsolidated financial information are the same as those that were applied to the annual unconsolidated financial statements of the Company as at and for the year ended 30 June 2017.

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	851,797	830,910
Capital work-in-progress	5.2	100,998	109,696
		952,795	940,606

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

Rupees in '000	Unaudited First quarter ended 30 September 2017		Unaudited First quarter ended 30 September 2016	
	Additions / Transfers	Disposals	Additions / Transfers	Disposals
Buildings on freehold land	19,654	-	3,727	-
Plant and machinery - owned	17,102	12,044	1,489	-
Plant and machinery - leased	14,995	-	-	-
Furniture and fittings	262	-	856	-
Electrical / office equipments and installation	3,095	-	2,682	-
Computers	894	-	380	1,008
Motor vehicles - owned	1,463	132	-	5,023
	57,465	12,176	9,134	6,031

5.2 Transfers in capital work-in-progress (net of additions) during the period amounted to Rs.8.698 million (2016: net additions Rs. 23.264 million).

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>6. LONG TERM INVESTMENTS</b>			
Subsidiary companies			
- at cost	6.1	2,882,000	2,882,000
- share deposit money			
CS Capital (Private) Limited		53,000	-
Crescent Hadeed (Private) Limited		104,662	72,697
Associated companies - at cost	6.2	1,284,594	1,070,803
Other long term investments - Available for sale	6.3	178,946	178,946
		4,503,202	4,204,446

## 6.1 Subsidiary companies - at cost

<b>Unaudited 30 September 2017</b>	Audited 30 June 2017		Note	<b>Unaudited 30 September 2017</b>	Audited 30 June 2017
Number of shares				Rupees in '000	
<b>Unquoted</b>					
126,000,000	126,000,000	Shakarganj Energy (Private) Limited	6.1.1	1,260,000	1,260,000
(Chief Executive Officer - Mr. Muhammad Saad Thaniana)					
47,200,000	47,200,000	CS Capital (Private) Limited	6.1.2	472,000	472,000
(Chief Executive Officer - Ms. Hajerah Ahsan Saleem)					
115,000,000	115,000,000	Crescent Hadeed (Private) Limited	6.1.3	1,150,000	1,150,000
(Chief Executive Officer - Mr. Iqbal Zafar Siddiqui)					
2	2	Crescent Continental Gas Pipelines Limited (US \$ 1 each)	6.1.4	-	-
				<b>2,882,000</b>	<b>2,882,000</b>

6.1.1 This represents the Company's investment in 100% ordinary shares of Shakarganj Energy (Private) Limited. The Company has acquired Shakarganj Energy (Private) Limited on 4 January 2010.

6.1.2 This represents the Company's investment in 100% ordinary shares of CS Capital (Private) Limited. The Company has acquired CS Capital (Private) Limited on 26 September 2011.

6.1.3 This represents the Company's investment in 100% ordinary shares of Crescent Hadeed (Private) Limited which was incorporated on 15 May 2013.

6.1.4 This represents investment in subsidiary of Rs. 90 only. The subsidiary company has not commenced operation and accordingly no financial statements have been prepared.

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

## 6.2 Associates - at cost

Unaudited 30 September 2017	Audited 30 June 2017		Unaudited 30 September 2017	Audited 30 June 2017
Number of shares		Note	Rupees in '000	
<b>Quoted</b>				
60,475,416	60,475,416	6.2.1	593,488	593,488
Altern Energy Limited (Chief Executive Officer - Mr. Taimur Dawood)				
27,409,075	24,119,987	6.2.2	691,106	477,315
Shakarganj Limited (Chief Executive Officer - Mr. Anjum M. Saleem)				
			1,284,594	1,070,803

6.2.1 The Company holds 16.64% shareholding in Altern Energy Limited and there is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.

6.2.2 The Company holds 21.93% shareholding in Shakarganj Limited and there is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.

6.2.3 The fair value of investments in associates as at 30 September 2017 is Rs. 5,160.387 million (30 June 2017: Rs. 5,394.961 million).

## 6.3 Other long term investments - available for sale

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
Investments in related parties	6.3.1	58,946	58,946
Other investments	6.3.2	120,000	120,000
		178,946	178,946

6.3.1 This includes investments in Crescent Bahuman Limited of Rs. 24.037 million which had been fully impaired and charged to profit and loss account in earlier periods.

6.3.2 This includes investments in Crescent Industrial Chemicals Limited of Rs. 10.470 million which had been fully impaired and charged to profit and loss account in earlier periods.

## 7. LONG TERM DEPOSITS

This includes security deposit amounting to Rs. 169.152 million (30 June 2017: Rs. 166.034 million) under Ijarah financing arrangement.

Rupees in '000	<b>Unaudited 30 September 2017</b>	Audited 30 June 2017
<b>8. STOCK-IN-TRADE</b>		
Raw materials		
Hot rolled steel coils (HR Coil)	1,194,110	468,650
Coating materials	120,131	71,783
Others	109,096	69,347
Raw cotton	66	66
Stock-in-transit	146,882	1,587,601
	<b>1,570,285</b>	<b>2,197,447</b>
Work-in-process	134,694	85,524
Finished goods	393,805	394,107
Scrap / cotton waste	14,006	9,604
	<b>542,505</b>	<b>489,235</b>
	<b>2,112,790</b>	<b>2,686,682</b>

8.1 Stock in trade as at 30 September 2017 includes item valued at net realisable value (NRV). An amount write down to NRV was amounting to Rs. 51.315 million (30 June 2017: Rs. 119.930 million) has been recognised in cost of goods sold.

Rupees in '000	Note	<b>Unaudited 30 September 2017</b>	Audited 30 June 2017
<b>9. TRADE DEBTS</b>			
<b>Secured</b>			
Considered good		1,271,155	611,744
<b>Unsecured</b>			
Considered good	9.1	178,427	51,927
Considered doubtful		21,640	21,640
Provision for doubtful trade debts		(21,640)	(21,640)
		<b>178,427</b>	<b>51,927</b>
		<b>1,449,582</b>	<b>663,671</b>

9.1 This includes following amount due from related parties:

Crescent Hadeed (Private) Limited	107,921	-
Shakarganj Energy (Private) Limited	12,526	12,526
	<b>120,447</b>	<b>12,526</b>

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>10. LOANS AND ADVANCES</b>			
10.1 This includes loan due from following wholly owned subsidiary companies:			
Crescent Hadeed (Private) Limited	10.1.1	250,000	250,000
Shakarganj Energy (Private) Limited	10.1.2	107,000	115,000
		357,000	365,000

10.1.1 During year ended 30 June 2017, the Company entered into a short term loan agreement with its wholly owned subsidiary company Crescent Hadeed (Private) Limited for an amount of Rs. 250 million. The mark-up is receivable at the rate of three months KIBOR plus 2% per annum. During the period, mark-up on such arrangement ranged between 8.13% to 8.17% per annum (2016: Nil).

10.1.2 During year ended 30 June 2017, the Company entered into a short term loan agreement with its wholly owned subsidiary company Shakarganj Energy (Private) Limited for an amount of Rs. 125 million. The mark-up is receivable at the rate of three months KIBOR plus 2% per annum. During the period, mark-up on such arrangement was 8.15% (2016: Nil).

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>11. INVESTMENTS</b>			
Available for sale	11.1	17,860	16,941
Held for trading		463,845	498,043
		481,705	514,984

11.1 This includes investment in Jubilee Spinning and Weaving Mills Limited and Innovative Investment Bank Limited, which had been fully impaired as their break-up value of shares was Rs. Nil per share (30 June 2017: Rs. Nil).

11.2 Investments having an aggregate market value of Rs. 3,032.408 million (30 June 2017: Rs. 3,370.335 million) have been pledged with financial institutions as security against financing facilities (refer note 16.4) out of which Rs. 2,585 million (30 June 2017: Rs. 2,908.547 million) relates to long term investments.

## 12. MARK-UP ACCRUED

This represents mark-up receivable from the Crescent Hadeed (Private) Limited and Shakarganj Energy (Private) Limited amounting to Rs. 5,051 million (30 June 2017: Rs. 0.278 million) and Rs. 3.393 million (30 June 2017: Rs. 1.202 million) respectively.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>13. OTHER RECEIVABLES</b>			
Dividend receivables		11,579	1,278
Receivable against rent from investment property		305	442
Claim receivable		601	1,863
Due from related parties	13.1	57,368	75,739
Retention money receivable		380,691	380,691
Sales tax refundable		824,174	248,573
Margin on letter of credit / letter of guarantee		16,619	18,219
Receivable from staff retirement benefits funds		1,014,310	1,014,310
Others		5,580	4,510
		<b>2,311,227</b>	<b>1,745,625</b>
<b>13.1 Due from related parties</b>			
Shakarganj Limited		1,637	1,562
CS Capital (Private) Limited		278	211
Shakarganj Energy (Private) Limited		23,927	22,431
Crescent Hadeed (Private) Limited		19,984	39,993
Solution de Energy (Private) Limited		11,502	11,502
CSAP - Pension Fund		40	40
		<b>57,368</b>	<b>75,739</b>
<b>14. LONG TERM LOANS</b>			
Secured - Under non-shariah arrangement			
Allied Bank Limited	14.1	226,697	244,231
Saudi Pak Industrial and Agricultural Investment Company Limited	14.2	187,500	218,750
		414,197	462,981
Less: Current portion shown under current liabilities		140,500	140,500
		<b>273,697</b>	<b>322,481</b>

- 14.1 The Company has a long term loan arrangement with Allied Bank Limited for an amount of Rs. 312 million. The term of the loan is 5 years from the date of disbursement with a grace period of one year, repayable in 16 equal quarterly installments started from December 2015. During the period, the Company has made repayment of Rs. 19.5 million. Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum. During the period, mark-up on such arrangements ranged between 7.63% to 7.65% (2016: 7.56% to 7.60%) per annum. The facility is secured against first joint pari passu hypothecation / equitable mortgage on plant, machinery and property of the Company.

During year ended 30 June 2017, Company entered into new loan arrangement with Allied Bank Limited of an amount of Rs. 100 million, out of which Rs. 70.690 million have been disbursed till date. The term of the loan is 5 years from the date of disbursement with a grace period of one year, repayable in 16 equal quarterly installments starting after fifteen months from date of disbursement. Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum. During the period, mark-up on such arrangements was 7.63% to 7.64% (2016: Nil). The facility is secured against first joint pari passu hypothecation / equitable mortgage on plant, machinery and property of the Company.

## NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

14.2 The Company has a long term loan arrangement with Saudi Pak Industrial and Agricultural Investment Company Limited for an amount of Rs. 250 million. The term of the loan is 5 years from the date of disbursement including a grace period of one year, repayable in 8 equal semi annual installments starting from eighteen month from date of disbursement. During the period, the Company has made repayment of Rs. 31.250 million. Mark-up is payable at the rate of 6 months KIBOR plus 2.5% per annum. During the period, mark-up on such arrangement is 8.61% to 8.64% (2016: 8.49% to 8.85%) per annum. The facility is secured against first exclusive mortgage charge on land and building and property of the Company.

### 15. TRADE AND OTHER PAYABLES

This includes provision / accrual made for liquidated damages of Rs. 199.116 million (30 June 2017: Rs. 199.116 million). Further, this also includes advance received from Shakarganj Limited - related party of Rs. 0.06 million for supply of goods.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>16. SHORT TERM BORROWINGS</b>			
<i>Secured from banking companies</i>			
Running finances under mark-up arrangements	16.1	439,323	247,782
Short term loans	16.2	2,853,391	2,269,554
<i>Secured from non-banking companies</i>			
Short term finance under mark-up arrangements	16.5	675,742	-
		<b>3,968,456</b>	<b>2,517,336</b>

16.1 Short term running finance / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 850 million (30 June 2017: Rs. 850 million) out of which Rs. 250 million (30 June 2017: Rs. 250 million), Rs. 50 million (30 June 2017: Rs. 50 million) and Rs. 100 million (30 June 2017: Rs. 100 million) are interchangeable with letter of credit, finance against import material (FIM) and letter of guarantee facility respectively. During the period, the mark-up on such arrangements ranged between 7.64% to 8.55% (2016: 7.70% to 8.55%) per annum.

16.2 This includes an amount of Rs. 589.5 million (30 June 2017: Rs. 402.5 million) outstanding under shariah complianed financing arrangement. Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 4,503 million (30 June 2017: Rs. 4,380 million) out of which Rs. 3,360 million (30 June 2017: Rs. 3,500 million), Rs. 50 million (30 June 2017: Rs. 50 million) and Rs. 310 million (30 June 2017: Rs. 310 million) are interchangeable with letter of credit, running finance and letter of guarantee facility respectively. During the period, the mark-up on such arrangements ranged between 7.83% to 8.25% (2016: 7.78% to 8.51%) per annum.

16.3 The facilities for opening letter of credit amounted to Rs. 4,960 million (30 June 2017: Rs. 4,800 million) out of which Rs. 250 million (30 June 2017: Rs. 250 million), Rs. 3,360 million (30 June 2017: Rs. 3,500 million) and Rs.410 million (30 June 2017: Rs. 410 million) are interchangeable with short term running finance, short term loans and letter of guarantee facility respectively as mentioned in notes 16.1 and 16.2 above. The facility for letters of guarantee as at 30 September 2017 amounted

to Rs. 2,346 million (30 June 2017: Rs. 2,857 million). Amounts unutilized for letters of credit and guarantees as at 30 September 2017 were Rs. 2,728 million and Rs. 93.1 million (30 June 2017: Rs. 761 million and Rs. 650 million) respectively.

- 16.4 The above facilities are expiring on various dates and are secured by way of mortgage of land and building, hypothecation of plant and machinery, stock-in-trade, trade debts and other current assets, pledge of shares and cotton / cotton yarn; and lien over import / export document (refer note 11.2). Further, above facilities are also secured against mortgage of land and building, hypothecation of plant and machinery and pledge of shares owned by Subsidiary Companies.
- 16.5 During the period, Company has issued commercial papers at discounted value to non-banking finance companies. The term of the loan is one year from the date of issuance and redeemable at face value of Rs. 719.5 million. Mark-up is payable at the rate of six months KIBOR plus 1.35% per annum. During the period, mark-up on such arrangement was 7.50% per annum.

## 17. CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

There is no significant change in the status of contingencies as set out in note 14 to the Company's annual unconsolidated financial statements for the year ended 30 June 2017.

### 17.2 Commitments

- 17.2.1 As at 30 September 2017, amount of lease rentals outstanding under the Ijarah financing arrangement is Rs. 343.597 million (30 June 2017: Rs. 366.503 million), which is payable in quarterly installments of Rs. 22.906 million (30 June 2017: Rs. 22.906 million).
- 17.2.2 Aggregate amount of guarantees issued by conventional side of banks on behalf of the Company against various contracts aggregated to Rs. 2,143 million (30 June 2017: Rs. 1,934 million).
- 17.2.3 Commitments in respect of capital expenditure contracted for as at 30 September 2017 amounted to Rs. 90.190 million (30 June 2017: Rs. 78.707 million) including Rs. 7.462 million (30 June 2017: Rs. 7.462 million) representing office premises located in Islamabad payable on completion of project.
- 17.2.4 Commitments under letters of credit (L/C) as at 30 September 2017 amounted to Rs. 299.983 million (30 June 2017: Rs. 700.540 million).

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited First quarter ended	
		30 September 2017	30 September 2016
<b>18. SALES - NET</b>			
<i>Local sales</i>			
Bare pipes		2,986,800	2,068,299
Pipe coating		239,506	271,627
Pre coated pipes		475,610	204,121
Cotton yarn / raw cotton		-	306,047
Others		46,440	7,809
Scrap / waste		101,494	37,758
Sales returns		-	(1,199)
		3,849,850	2,894,462
<i>Export sales</i>			
Fabric		13,120	-
		3,862,970	2,894,462
Sales tax		(559,384)	(373,900)
		3,303,586	2,520,562
<b>19. INCOME FROM INVESTMENTS</b>			
Dividend income	19.1	253,849	145,416
Gain on sale of investments - net	19.2	1,846	4,912
Unrealized (loss) / gain on held for trading investments - net	19.3	(33,368)	22,552
Rent from investment properties	19.6	410	1,290
		222,737	174,170

19.1 This includes Rs. 243.378 million earned on investments in Shariah Compliant Investee Companies.

19.2 This includes Rs. 1.184 earned on investments in Shariah Compliant Investee Companies.

19.3 This includes Rs. 5.176 million on investment in Shariah Compliant Investee Companies.

19.4 Unrealized gain amounting to Rs. 0.919 million on investment in The Crescent Textile Mills Limited - Non Shariah Compliant Investee Company was recognized in the other comprehensive income during the period.

19.5 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.

19.6 Direct operating expenses incurred against rental income from investment property amounted to Rs. 0.999 million (2016: Rs. 0.881 million) . Further, Rs. 0.249 million (2016: Rs. 0.257 million) were incurred against non rented out area.

Rupees in '000	Unaudited First quarter ended	
	30 September 2017	30 September 2016
<b>20. OTHER OPERATING EXPENSES</b>		
Exchange loss	11,405	2,294
Loss on disposal of operating fixed assets	6	-
Provision for:		
Workers' Profit Participation Fund	17,558	17,837
Workers' Welfare Fund	6,377	5,254
Liquidated damages	4,630	-
Liquidated damages	-	64,999
	39,976	90,384
<b>21. FINANCE COSTS</b>		
Mark-up on short term loans - Shariah arrangement	6,931	4,002
Interest on - Non - Shariah arrangement		
- finance lease obligations	2,921	3,044
- long term loans	8,505	10,334
- running finances / short term loans	56,280	36,915
Discounting of lease deposit	2,844	-
Bank charges	1,783	4,261
	79,264	58,556
<b>22. BASIC AND DILUTED EARNINGS PER SHARE</b>		
Profit for the period	422,172	374,972
	(Number of shares)	
Weighted average number of ordinary shares in issue		
during the period	77,632,491	77,632,491
	(Rupees)	
Basic and diluted earnings per share	5.44	4.83

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited First quarter ended	
		30 September 2017	30 September 2016
<b>23. CASH (USED IN) / GENERATED FROM OPERATIONS</b>			
Profit before taxation		525,916	479,513
Adjustments for non cash charges and other items			
Depreciation on operating fixed assets and investment properties		25,623	24,433
Amortization of intangible assets		276	876
Charge for the period on staff retirement benefit funds		-	4,913
Charge for compensated absences		285	78
Provision for 10-C bonus		489	493
Dividend income		(253,849)	(145,416)
Unrealized loss / (gain) on held for trading investments - net		33,368	(22,552)
Gain on sale of investments - net		(1,846)	(4,912)
Provision for Workers' Welfare Fund		6,377	5,254
Provision for Workers' Profit Participation Fund		17,558	17,837
Return on deposits and loan to wholly owned subsidiary companies		(7,144)	(262)
Loss / (gain) on disposal of operating fixed assets		6	(1,001)
Deferred income		(1,197)	(1,157)
Discounting of long term deposit		2,844	-
Unwinding of discount on long term deposit		(3,795)	(3,725)
Liabilities written back		(2)	-
Finance costs		76,420	58,556
Working capital changes	23.1	(1,246,702)	267,030
		(825,373)	679,958
<b>23.1 Working capital changes</b>			
(Increase) / decrease in current assets			
Stores, spares and loose tools		(10,716)	(28,425)
Stock-in-trade		607,908	498,797
Trade debts		(785,911)	(573,169)
Advances		6,260	(58,818)
Trade deposits and short term prepayments		(3,644)	(426)
Other receivables		(555,301)	(102,726)
		(741,404)	(264,767)
(Decrease) / increase in current liabilities			
Trade and other payables		(505,298)	531,797
		(1,246,702)	267,030
<b>24. CASH AND CASH EQUIVALENTS</b>			
Running finances under mark-up arrangements		(439,323)	(101,752)
Cash and bank balances		15,334	16,730
		(423,989)	(85,022)

## 25. SEGMENT REPORTING

### 25.1 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).

Information regarding the Company's reportable segments presented below.

### 25.2 Segment revenues and results

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

Rupees in '000	Unaudited			
	Steel segment	Cotton segment	IID segment	Total
<b>For the first quarter ended 30 September 2017</b>				
Sales - net	3,290,228	13,358	-	3,303,586
Cost of sales	2,808,437	24,112	-	2,832,549
Gross profit / (loss)	481,791	(10,754)	-	471,037
Income from investments	-	-	222,737	222,737
	481,791	(10,754)	222,737	693,774
Distribution and selling expenses	3,409	1,970	-	5,379
Administrative expenses	49,120	3,084	4,557	56,761
Other operating expenses	40,075	(105)	6	39,976
	92,604	4,949	4,563	102,116
	389,187	(15,703)	218,174	591,658
Other income	12,568	954	-	13,522
Operating profit / (loss) before finance costs	401,755	(14,749)	218,174	605,180
Finance costs	75,999	244	3,021	79,264
Profit / (loss) before taxation	325,756	(14,993)	215,153	525,916
Taxation				103,744
Profit for the period				422,172

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Unaudited			Total
	Steel segment	Cotton segment	IID segment	
For the first quarter ended 30 September 2016				
Sales - net	2,212,230	308,332	-	2,520,562
Cost of sales	1,698,271	321,752	-	2,020,023
Gross profit / (loss)	513,959	(13,420)	-	500,539
Income from investments	-	-	174,170	174,170
	513,959	(13,420)	174,170	674,709
Distribution and selling expenses	2,145	2,919	-	5,064
Administrative expenses	37,225	7,188	3,783	48,196
Other operating expenses	90,365	-	19	90,384
	129,735	10,107	3,802	143,644
	384,224	(23,527)	170,368	531,065
Other income	5,988	1,016	-	7,004
Operating profit / (loss) before finance costs	390,212	(22,511)	170,368	538,069
Finance costs	56,550	1,077	929	58,556
Profit / (loss) before taxation	333,662	(23,588)	169,439	479,513
Taxation				104,541
Profit for the period				374,972

25.2.1 Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the period (2016: Rs. Nil).

25.2.2 The accounting policies of the reportable segments are the same as the Company's accounting policies as described in the annual unconsolidated financial statements of the Company for the preceding year ended 30 June 2017. The Steel segment allocates certain percentage of the common expenditure to the Cotton and IID segments. In addition, financial 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 Company's revenue from external customers for major products and services is given in note 18 to this condensed interim unconsolidated financial information.

## 25.4 Information about major customers

Revenue from major customers of Steel segment represents an aggregate amount of Rs. 3,148.946 million (2016: Rs. 2,156.822 million) of total Steel segment revenue of Rs. 3,290.228 million (2016: Rs. 2,212.230 million). Further, revenue from major customer of Cotton segment represents an aggregate amount of Rs. 13.120 million (2016: Rs. 99.059 million) of total Cotton segment revenue of Rs. 13.358 million (2016: Rs. 308.332 million).

## 25.5 Geographical information

25.5.1 The Company's net revenue from external customers by geographical location is detailed below:

Rupees in '000	Unaudited First quarter ended	
	30 September 2017	30 September 2016
Pakistan	3,290,466	2,520,562
South America	13,120	-
	<b>3,303,586</b>	<b>2,520,562</b>

25.5.2 All non-current assets of the Company as at 30 September 2017 and 30 June 2017 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:

Rupees in '000	Steel segment	Cotton segment	IID segment	Total
<b>As at 30 September 2017 - (Unaudited)</b>				
Segment assets for reportable segments	7,760,499	368,358	3,788,017	11,916,874
Unallocated corporate assets				1,513,669
Total assets as per unconsolidated balance sheet				<b>13,430,543</b>
Segment liabilities for reportable segments	1,322,480	71,969	2,141	1,396,590
Unallocated corporate liabilities and deferred income				4,791,145
Total liabilities as per unconsolidated balance sheet				<b>6,187,735</b>
<b>As at 30 June 2017 - (Audited)</b>				
Segment assets for reportable segments	6,894,855	402,775	3,545,012	10,842,642
Unallocated corporate assets				1,336,946
Total assets as per unconsolidated balance sheet				<b>12,179,588</b>
Segment liabilities for reportable segments	1,781,677	79,067	2,206	1,862,950
Unallocated corporate liabilities and deferred income				3,496,921
Total liabilities as per unconsolidated balance sheet				<b>5,359,871</b>

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 Company's central treasury function.

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

## 25.7 Other segment information

Rupees in '000	Unaudited			Total
	Steel segment	Cotton segment	IID segment	
<b>For the first quarter ended 30 September 2017</b>				
Capital expenditure	92,599	498	201	93,298
Depreciation and amortization	16,778	7,908	1,213	25,899
Non-cash items other than depreciation and amortization - net	91,419	235	(219,296)	(127,642)
<b>For the first quarter ended 30 September 2016</b>				
Capital expenditure	28,640	953	178	29,771
Depreciation and amortization	13,275	10,794	1,240	25,309
Non-cash items other than depreciation and amortization - net	78,278	1,573	(171,745)	(91,894)

## 26. TRANSACTIONS WITH RELATED PARTIES

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

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

Name of entity	Nature of relationship	Nature of transaction	Unaudited First quarter ended	
			30 September 2017	30 September 2016
Crescent Hadeed (Private) Limited	Subsidiary company	Reimbursable expenses	10,150	7,421
		Sale of finished goods	92,240	29,623
		Share deposit money	31,966	1,100
		Short term loan provided	208,000	-
		Short term loan repayment	208,000	-
		Mark-up income	4,773	-
CS Capital (Private) Limited	Subsidiary company	Reimbursable expenses	277	249

Rupees in '000

Name of entity	Nature of relationship	Nature of transaction	Unaudited First quarter ended	
			30 September 2017	30 September 2016
Shakarganj Energy (Private) Limited	Subsidiary company	Share deposit money	-	20,000
		Short term loan provided	10,000	-
		Short term loan repayment	18,000	-
		Mark-up income	2,191	-
		Reimbursable expenses	1,497	120
Solution de Energy (Private) Limited	Subsidiary company	Reimbursable expenses	-	903
Altern Energy Limited	Associated company	Dividend received	241,902	140,908
Shakarganj Limited	Associated company	Dividend Paid	270	4,488
		Services received	300	302
		Reimbursable		
		expenses	375	360
		Right shares subscribed	213,791	-
Central Depository Company of Pakistan Limited *	Related party	Services received	417	331
		Dividend received	5,032	550
The Citizens' Foundation *	Related party	Donation given	535	85
CSAP Foundation *	Related party	Donation given	1,000	735
Muhammad Amin Muhammad Bashir Limited *	Related party	Dividend paid	1	1
Crescent Cotton Mills Limited *	Related party	Dividend paid	1	-
Premier Insurance Limited *	Related party	Insurance premium	1,362	3,694
		Dividend paid	220	166
CSAP - Staff Benevolent Fund	Staff Welfare Fund	Dividend paid	54	-

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000

Name of entity	Nature of relationship	Nature of transaction	Unaudited First quarter ended	
			30 September 2017	30 September 2016
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made Dividend paid	400 112	245 112
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made Dividend paid	- 2,207	1,356 2,207
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made Dividend paid	- 4,845	3,557 4,845
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made Dividend paid	2,108 1,250	1,892 1,250
Key management personnel	Related parties	Remuneration and benefits	21,441	19,881
		Dividend paid	907	951
Directors and their spouse	Related parties	Dividend paid	191	247
		Meeting fee	1,060	510

\* These entities are / have been related parties of the Company 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 Company, including directors of the Company. There were no transactions with the key management personnel during the period other than their terms of employment / entitlements.

## 27. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in annual unconsolidated financial statement of the Company as at and the year ended 30 June 2017.

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.

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:

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

30 September 2017 (Unaudited)

Rupees in '000	Carrying Amount			Fair Value				
	Investments	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investment								
- listed equity securities	481,705	-	-	481,705	481,705	-	-	481,705
Financial assets not measured at fair value								
Investments								
- unlisted equity securities	178,946	-	-	178,946	-	-	-	-
- associates	1,284,594	-	-	1,284,594	-	-	-	-
Deposits	-	204,708	-	204,708	-	-	-	-
Trade debts	-	1,449,582	-	1,449,582	-	-	-	-
Loan to subsidiaries	-	365,000	-	365,000	-	-	-	-
Mark-up accrued	-	1,480	-	1,480	-	-	-	-
Other receivables	-	472,743	-	472,743	-	-	-	-
Bank balances	-	14,569	-	14,569	-	-	-	-
	1,463,540	2,508,082	-	3,971,622	-	-	-	-
Financial liabilities not measured at fair value								
Long term loans	-	-	414,197	414,197	-	-	-	-
Liabilities against assets subject to finance lease	-	-	110,037	110,037	-	-	-	-
Trade and other payables	-	-	593,398	593,398	-	-	-	-
Mark-up accrued	-	-	32,005	32,005	-	-	-	-
Short term borrowings	-	-	3,968,456	3,968,456	-	-	-	-
	-	-	5,118,093	5,118,093	-	-	-	-

30 June 2017 (Audited)

	Carrying Amount		Fair Value					
	Investments	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>Rupees in '000</b>								
<b>On-balance sheet financial instruments</b>								
<b>Financial assets</b>								
measured at fair value								
Investment								
- listed equity securities	514,984	-	-	514,984	514,984	-	-	514,984
<b>Financial assets not measured at fair value</b>								
Investments								
- unlisted equity securities	178,946	-	-	178,946	-	-	-	-
- associates	1,070,803	-	-	1,070,803	-	-	-	-
Deposits	-	193,790	-	193,790	-	-	-	-
Trade debts	-	663,671	-	663,671	-	-	-	-
Loan to subsidiaries	-	365,000	-	365,000	-	-	-	-
Mark-up accrued	-	1,480	-	1,480	-	-	-	-
Other receivables	-	482,742	-	482,742	-	-	-	-
Bank balances	-	28,157	-	28,157	-	-	-	-
	1,249,749	1,734,840	-	2,984,589	-	-	-	-
<b>Financial liabilities not measured at fair value</b>								
Long term loans	-	-	462,981	462,981	-	-	-	-
Liabilities against assets subject to finance lease	-	-	105,306	105,306	-	-	-	-
Trade and other payables	-	-	1,763,838	1,763,838	-	-	-	-
Mark-up accrued	-	-	27,892	27,892	-	-	-	-
Short term borrowings	-	-	2,517,336	2,517,336	-	-	-	-
	-	-	4,877,353	4,877,353	-	-	-	-

# NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

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

The unquoted investments and investments in subsidiaries and associates are stated at cost.

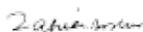
Investment property fair value have been determined by professional valuers (level 3 measurement) based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Company. The valuation experts used a market based approach to arrive at the fair value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

## 28. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim unconsolidated financial information was authorized for issue in the Board of Directors meeting held on 26 October 2017.



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited

# **CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION**

**FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2017**

# CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

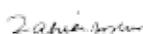
As at 30 September 2017

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	2,553,366	2,565,370
Intangible assets		128,380	129,226
Investment properties		52,453	54,071
Investment in equity accounted investees	6	3,350,521	3,291,606
Other long term investments	7	220,717	220,717
Long term deposits	8	202,993	194,535
		6,508,430	6,455,525
<b>Current assets</b>			
Stores, spares and loose tools		206,171	191,208
Stock-in-trade	9	2,500,079	3,384,752
Trade debts	10	1,657,068	890,794
Advances	11	45,219	21,187
Trade deposits and short term prepayments		52,339	56,860
Investments	12	1,188,102	1,201,262
Mark-up accrued		51	132
Other receivables	13	2,426,655	1,774,364
Taxation - net		984,936	748,526
Cash and bank balances		32,908	85,629
		9,093,528	8,354,714
<b>Total assets</b>		<b>15,601,958</b>	<b>14,810,239</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
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		1,254,695	1,242,763
Revenue reserves		6,671,864	6,582,279
		8,702,884	8,601,367
<b>Non-current liabilities</b>			
Long term loans	14	273,697	322,481
Liabilities against assets subject to finance lease		69,281	63,606
Deferred income		8,822	7,471
Deferred taxation		385,898	410,253
		737,698	803,811
<b>Current liabilities</b>			
Trade and other payables	15	1,656,081	2,282,916
Mark-up accrued		36,688	31,631
Short term borrowings	16	4,282,599	2,904,166
Current portion of long term loans	14	140,500	140,500
Current portion of liabilities against assets subject to finance lease		40,756	41,700
Current portion of deferred income		4,752	4,148
		6,161,376	5,405,061
Contingencies and commitments	17		
<b>Total equity and liabilities</b>		<b>15,601,958</b>	<b>14,810,239</b>

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



Chief Executive



Director



Chief Financial Officer

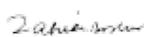
# CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	First quarter ended	
		30 September 2017	30 September 2016
Sales - net	18	4,083,381	2,660,505
Cost of sales		3,718,396	2,271,291
Gross profit		364,985	389,214
(Loss) / income from investments	19	(35,494)	66,128
		329,491	455,342
Distribution and selling expenses		5,713	5,323
Administrative expenses		64,005	53,417
Other operating expenses	20	41,459	90,682
		111,177	149,422
		218,314	305,920
Other income		7,867	7,855
Operating profit before finance costs		226,181	313,775
Finance costs	21	88,082	63,518
Share of profit in equity accounted investees - net of taxation		42,718	53,687
Profit before taxation		180,817	303,944
Taxation - current		113,911	93,162
- deferred		(22,679)	9,364
		91,232	102,526
Profit for the period		89,585	201,418
			Rupees
Basic and diluted earnings per share	22	1.15	2.59

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

  
Chief Executive

  
Director

  
Chief Financial Officer

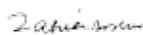
# CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	First quarter ended	
	30 September 2017	30 September 2016
Profit for the period	89,585	201,418
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Unrealized appreciation during the period on remeasurement of investments classified as 'available for sale'	12,955	19,911
Proportionate share of other comprehensive loss of equity accounted investees	(1,023)	(18,841)
Other comprehensive income for the period	11,932	1,070
<b>Total comprehensive income for the period</b>	<b>101,517</b>	<b>202,488</b>

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

  
Chief Executive

  
Director

  
Chief Financial Officer

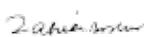
# CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	First quarter ended	
		30 September 2017	30 September 2016
<b>Cash flows from operating activities</b>			
Cash (used in)/generated from operations	23	(741,933)	656,225
Taxes paid		(351,940)	(157,691)
Finance costs paid		(77,628)	(46,775)
Contribution to gratuity and pension funds		-	(4,466)
Contribution to Workers' Profit Participation Fund		(111)	-
Infrastructure fee paid		(17,008)	(3,333)
Compensated absences paid		(285)	(78)
10-C bonus paid		(1,913)	(1,778)
Long term deposits - net		(7,507)	-
Net cash (used in) / generated from operating activities		(1,198,325)	442,104
<b>Cash flows from investing activities</b>			
Capital expenditure		(37,480)	(42,832)
Acquisition of intangible assets		-	(4,585)
Proceeds from disposal of operating fixed assets		108	3,205
Proceeds from disposal of operating fixed assets under sale and leaseback arrangement		14,995	-
Investments - net		(298,984)	69,469
Dividend income received		258,839	150,798
Interest income received		447	524
Net cash(used in) / generated from investing activities		(62,075)	176,579
<b>Cash flows from financing activities</b>			
Repayment of long term loan		(48,784)	(19,500)
Payments against finance lease obligations		(12,816)	(50,408)
Proceed from / (repayments against) short term loans obtained - net		1,171,310	(349,399)
Dividends paid		(109,154)	(108,531)
Net cash generated from / (used in) financing activities		1,000,556	(527,838)
Net (decrease) / increase in cash and cash equivalents		(259,844)	90,845
Cash and cash equivalents at beginning of the period		(312,997)	(233,308)
Cash and cash equivalents at end of the period	24	(572,841)	(142,463)

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

  
Chief Executive

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

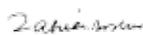
For the first quarter ended 30 September 2017

	Issued, subscribed and paid-up capital	Capital reserves			Revenue reserves		Total
		Share premium	Unrealized appreciation on remeasurement of investments classified as 'available for sale'	Other*	General reserve	Unappropriated profit	
Rupees in '000							
Balance as at 30 June 2016	776,325	1,020,908	22,120	96,108	2,642,000	2,761,730	7,319,191
Transfer to general reserves	-	-	-	-	1,000,000	(1,000,000)	-
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	201,418	201,418
Other comprehensive income							
Total other comprehensive income for the period	-	-	19,911	(18,841)	-	-	1,070
Total comprehensive income for the period	-	-	19,911	(18,841)	-	201,418	202,488
Dividend:							
- Final @ 20% (i.e. Rs. 2 per share) for the year ended 30 June 2016	-	-	-	-	-	(155,265)	(155,265)
Balance as at 30 September 2016	776,325	1,020,908	42,031	77,267	3,642,000	1,807,883	7,366,414
Balance as at 30 June 2017	776,325	1,020,908	136,800	85,055	3,642,000	2,940,279	8,601,367
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	89,585	89,585
Other comprehensive income							
Total other comprehensive income for the period	-	-	12,955	(1,023)	-	-	11,932
Total comprehensive income for the period	-	-	12,955	(1,023)	-	89,585	101,517
Balance as at 30 September 2017	776,325	1,020,908	149,755	84,032	3,642,000	3,029,864	8,702,884

\* 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 this condensed interim consolidated financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

## 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; Shakarganj Energy (Private) Limited, Solution de Energy (Private) Limited, CS Capital (Private) Limited, Crescent Hadeed (Private) Limited and Crescent Continental Gas Pipelines Limited.
- 1.2 The Holding Company was incorporated on 1 August 1983 as a public limited company in Pakistan under the repealed Companies Act, 1913 (now Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The registered office of the Holding Company and its subsidiaries companies are located at E- Floor, IT Tower, 73-E/1, Hali Road, Gulberg III, Lahore, where as its principal offices are situated at 9th floor, SIDCO Avenue Centre, 264 R.A. Lines, Karachi.
- 1.3 Shakarganj Energy (Private) Limited was incorporated on 2 April 2008 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Holding Company acquired this subsidiary on 4 January 2010. The principal activity of the Subsidiary Company is to build, own, operate and maintain a power plant and to generate, accumulate, distribute, sell and supply electricity / power to the Pakistan Electric Power Company (Private) Limited (PEPCO) / power distribution companies under agreement(s) with the Government of Pakistan or to any other consumer as permitted.
- 1.4 CS Capital (Private) Limited was incorporated on 5 November 2010 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Holding Company acquired this subsidiary on 26 September 2011. The principal activity of the Subsidiary Company is to manage portfolio of shares, commodities and other securities (strategic as well as short term).
- 1.5 Crescent Hadeed (Private) Limited was incorporated on 15 May 2013 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). The principal activity of the Subsidiary Company is to manufacture and sell steel billets.
- 1.6 Crescent Continental Gas Pipelines Limited is not carrying on any business operations.
- 1.7 Details regarding the Group's associates are given in note 6 to this condensed interim consolidated financial information.

## 2. BASIS OF PREPARATION

- 2.1 This condensed interim consolidated financial information of the Group for the three months ended 30 September 2017 has been prepared in accordance with the requirements of the International Accounting Standards 34 "Interim Financial Reporting" and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of and directives of the repealed Companies Ordinance, 1984 have been followed.
- 2.2 This condensed interim consolidated financial information of the Group does not include all of the information required for annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group as at and for the year ended 30 June 2017. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last consolidated financial statements.

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

- 2.3 This condensed interim consolidated financial information is 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 This condensed interim consolidated financial information is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

### 3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim consolidated financial information are the same as those applied in the preparation of the annual consolidated financial statements of the Group for the year ended 30 June 2017.

### 4. USE OF ESTIMATES AND JUDGEMENTS

- 4.1 The preparation of condensed interim consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
- 4.2 Estimates and judgements made by management in the preparation of this condensed interim consolidated financial information are the same as those that were applied to the annual consolidated financial statements of the Group as at and for the year ended 30 June 2017.

### 5. PROPERTY, PLANT AND EQUIPMENT

Following is the cost of operating fixed assets added / transferred and disposed off during the period ended:

Rupees in '000	Unaudited First quarter ended 30 September 2017		Unaudited First quarter ended 30 September 2016	
	Additions / Transfers	Disposals	Additions / Transfers	Disposals
Buildings on freehold land	19,654	-	4,443	-
Plant and machinery - owned	18,774	12,044	2,219	-
Plant and machinery - leased	14,995	-	-	-
Furniture and fittings	279	-	856	-
Electrical / office equipment and installation	3,194	-	2,906	-
Computers	894	-	380	1,008
Motor vehicles - owned	1,463	132	-	5,023
	59,253	12,176	10,804	6,031

## 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 30 September 2017	Audited 30 June 2017		Unaudited 30 September 2017	Audited 30 June 2017
Number of shares		Note	Rupees in '000	
<b>Quoted</b>				
63,967,500	63,967,500	6.1	2,793,616	2,973,681
		Altern Energy Limited (Chief Executive Officer - Mr. Taimur Dawood)		
35,011,347	30,809,987	6.1	556,905	317,925
		Shakarganj Limited (Chief Executive Officer - Mr. Anjum M. Saleem)		
<b>Unquoted</b>				
3,430,000	3,430,000	6.1	-	-
		Crescent Socks (Private) Limited (Chief Executive Officer - Mr. Shehryar Mazhar)		
			3,350,521	3,291,606

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

Rupees in '000	Note	30 September 2017			
		Altern Energy Limited	Shakarganj Limited	Crescent Socks Limited	Total
<b>Description</b>					
Opening balance as at 30 June 2017		2,973,681	317,925	-	3,291,606
Share of profit / (loss)	6.2	76,236	(33,518)	-	42,718
Share of equity	6.2	(431)	(591)	-	(1,022)
Dividend received		(255,870)	-	-	(255,870)
Right shares subscribed		-	273,089	-	273,089
Closing balance as at 30 September 2017		2,793,616	556,905	-	3,350,521

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	30 June 2017			Total
	Altern Energy Limited	Shakarganj Limited	Crescent Socks Limited	
<b>Description</b>				
Opening balance as at				
30 June 2016	2,772,227	96,515	13,653	2,882,395
Share of profit / (loss)	350,461	232,501	(13,653)	569,309
Share of equity	38	(11,091)	-	(11,053)
Dividend received	(149,045)	-	-	(149,045)
Closing balance as at				
30 June 2017	2,973,681	317,925	-	3,291,606

6.2 These figures are based on financial statements / information of these companies as at 30 June 2017.

6.3 Percentage of holding of equity in associates is as follows.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
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 Companies hold 16.64% and 0.96% respectively i.e. aggregate holding of 17.60% in the investee company. There is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per IAS 28 'Investments in Associates', therefore only for the purpose of the equity accounting as required under IAS 28 it has been treated as an associate.

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

6.4 The fair value of investments in associates as at 30 September 2017 is Rs. 6,004.643 million (30 June 2017: Rs. 6,230.699 million).

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>7. OTHER LONG TERM INVESTMENTS - Available for sale</b>			
Investments in related parties	7.1	60,717	60,717
Other investments	7.2	160,000	160,000
		220,717	220,717

7.1 This includes investments in Crescent Bahuman Limited of Rs. 24.037 million, which had been fully impaired and charged to profit and loss account in earlier periods.

7.2 This includes investments in Crescent Industrial Chemicals Limited of Rs. 10.470 million, which had been fully impaired and charged to profit and loss account in earlier periods.

## 8. LONG TERM DEPOSITS

This includes security deposit amounting to Rs. 169.152 million (30 June 2017: Rs 166.034 million) under Ijarah financing arrangement.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>9. STOCK-IN-TRADE</b>			
Raw materials			
Hot rolled steel coils (HR Coil)		1,194,110	468,650
Coating materials		120,131	71,783
Remelting scrap		264,853	207,953
Others		109,096	96,625
Raw cotton		66	66
Bagasse		19,926	197,963
Stock-in-transit		193,995	1,832,515
		1,902,177	2,875,555
Work-in-process		134,694	85,524
Finished goods	9.1	449,202	414,069
Scrap / cotton waste		14,006	9,604
		597,902	509,197
		2,500,079	3,384,752

9.1 Stock in trade as at 30 September 2017 includes item valued at net realisable value (NRV). A write down to NRV amounting to Rs. 51.315 million (30 June 2017: Rs. 120.433 million) has been recognised in cost of goods sold.

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>10. TRADE DEBTS</b>			
<i>Secured</i>			
Considered good		1,271,155	611,744
<i>Unsecured</i>			
Considered good	10.1	385,913	279,050
Considered doubtful		24,187	24,187
Provision for doubtful trade debts		(24,187)	(24,187)
		385,913	279,050
		1,657,068	890,794

10.1 This includes an amount of Rs. 139.738 million (30 June 2017: Rs. 148.841 million) due from Shakarganj Limited - a related party.

## 11. ADVANCES

This includes amounting to Rs. 36.014 million (30 June 2017: Rs. 17.910 million) advances given to suppliers for goods and services.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>12. INVESTMENTS</b>			
Available for sale	12.1	251,951	238,996
Held for trading		916,151	950,766
Investment in term deposit receipts - Conventional		20,000	11,500
		1,188,102	1,201,262

12.1 This includes investment in Jubilee Spinning and Weaving Mills Limited and Innovative Investment Bank Limited, which had been fully impaired as their break-up value of shares was Rs. Nil per share (30 June 2017: Rs. Nil per share).

12.2 Investments having an aggregate market value of Rs. 3,692.260 million (30 June 2017: Rs. 4,025.469 million) have been pledged with financial institutions as security against financing facilities (refer note 16.4) out of which Rs. 2,717 million (30 June 2017: Rs. 3,057.767 million) relates to long term investments.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>13. OTHER RECEIVABLES</b>			
Dividend receivable		14,759	2,372
Receivable against sale of investments		17,770	17,770
Provision there against		(17,770)	(17,770)
Receivable against sale of investments		-	-
Receivable against rent from investment property		305	442
Claim receivable		601	1,863
Due from related parties	13.1	40	40
Retention money receivable		380,691	380,691
Sales tax refundable		990,705	348,872
Margin on letter of credit and guarantee		19,664	21,264
Receivable from staff retirement benefits funds		1,014,310	1,014,310
Others		5,580	4,510
		<b>2,426,655</b>	<b>1,774,364</b>

13.1 This represents balances due from CSAP Pension Fund.

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>14. LONG TERM LOANS - Under non-shariah arrangement</b>			
Secured			
Allied Bank Limited	14.1	226,697	244,231
Saudi Pak Industrial and Agricultural Investment Company Limited	14.2	187,500	218,750
		414,197	462,981
Less: Current portion shown under current liabilities		140,500	140,500
		<b>273,697</b>	<b>322,481</b>

14.1 The Holding Company has a long term loan arrangement with Allied Bank Limited for an amount of Rs. 312 million. The term of the loan is 5 years from the date of disbursement with a grace period of one year, repayable in 16 equal quarterly installments started from December 2015. During the period, the Holding Company has made repayment of Rs. 19.5 million. Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum. During the period, mark-up on such arrangements ranged between 7.63% to 7.65% (2016: 7.56% to 7.60%) per annum. The facility is secured against first joint pari passu hypothecation / equitable mortgage on plant, machinery and property of the Holding Company.

During year ended 30 June 2017, Company entered into new loan arrangement with Allied Bank Limited of an amount of Rs. 100 million, out of which Rs. 70.690 million have been disbursed till date. The term of the loan is 5 years from the date of disbursement with a grace period of one year, repayable in 16 equal quarterly installments starting after fifteen months from date of disbursement. Mark-up is payable at the rate of 3 months KIBOR plus 1.5% per annum. During the period, mark-up on such arrangements was 7.63% to 7.64% (2016: Nil). The facility is secured against first joint pari passu hypothecation / equitable mortgage on plant, machinery and property of the Company.

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

14.2 The Holding Company has a long term loan arrangement with Saudi Pak Industrial and Agricultural Investment Company Limited for an amount of Rs. 250 million. The term of the loan is 5 years from the date of disbursement including a grace period of one year, repayable in 8 equal semi annual installments starting from eighteen month from date of disbursement. During the period, the Holding Company has made repayment of Rs. 31.250 million. Mark-up is payable at the rate of 6 months KIBOR plus 2.5% per annum. During the period, mark-up on such arrangement ranged between 8.61% to 8.64% (2016: 8.49% to 8.85%) per annum. The facility is secured against first exclusive mortgage charge on land and building and property of the Holding Company.

## 15. TRADE AND OTHER PAYABLES

This includes balance due to Shakarganj Limited - a related party amounting to Rs. 1.822 million (30 June 2017: Rs. 1.726 million) and also includes provision / accrual made for liquidated damages of Rs. 199.116 million (30 June 2017: Rs. 199.116 million).

Rupees in '000	Note	Unaudited 30 September 2017	Audited 30 June 2017
<b>16. SHORT TERM BORROWINGS</b>			
Secured from banking companies			
Running finances under mark-up arrangements	16.1	605,749	398,626
Short term loans	16.2	3,001,108	2,505,540
Secured from non-banking companies			
Short term finance under mark-up arrangements	16.5	675,742	-
		<b>4,282,599</b>	<b>2,904,166</b>

16.1 Short term running finance / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 850 million (30 June 2017: Rs. 1,050 million) out of which Rs. 250 million (30 June 2017: Rs. 250 million), Rs. 50 million (30 June 2017: Rs. 50 million) and Rs. 100 million (30 June 2017: Rs. 100 million) are interchangeable with letter of credit, finance against import margin (FIM) and letter of guarantee facility respectively. During the period, the mark-up on such arrangements ranged between 7.64% to 8.55% (2016: 7.70% to 8.55%) per annum.

16.2 This includes an amount of Rs. 627.3 million (30 June 2017: Rs. 622.8 million) outstanding under shariah compliant financing arrangement. Short term loan financing available from various commercial banks under mark-up arrangements amounted to Rs. 5,053 million (30 June 2017: Rs. 4,380 million) out of which Rs. 3,910 million (30 June 2017: Rs. 3,500 million), Rs. 50 million (30 June 2017: Rs. 50 million) and Rs. 310 million (30 June 2017: Rs. 310 million) are interchangeable with letters of credit, running finance and letter of guarantee facility respectively. During the period, the mark-up on such arrangements ranged between 7.83% to 8.25% (2016: 7.78% to 8.51%) per annum.

16.3 The facilities for opening letters of credit amounted to Rs. 5,510 million (30 June 2017: Rs. 5,350 million) out of which Rs. 250 million (30 June 2017: Rs. 250 million), Rs. 3,360 million (30 June 2017: Rs. 3,500 million) and Rs. 410 million (30 June 2017: Rs. 410 million) are interchangeable with short term running finance, short term loans and letter of guarantee facility respectively as mentioned in notes 16.1 and 16.2 above. The facility for letters of guarantee as at 30 September 2017 amounted

to Rs. 2,356 million (30 June 2017: Rs. 2,897 million). Amounts unutilized for letters of credit and guarantees as at 30 September 2017 were Rs. 3,099 million and Rs. 93.1 million (30 June 2017: Rs. 930 million and Rs. 652 million) respectively.

- 16.4 The above facilities are expiring on various dates and are secured by way of mortgage of land and building, hypothecation of plant and machinery, stock-in-trade, trade debts and other current assets, pledge of shares (refer note 12.2) and cotton / cotton yarn; and lien over import / export document.
- 16.5 During the period, Holding Company has issued commercial papers at discounted value to non-banking finance companies. The term of the loan is one year from the date of issuance and redeemable at face value of Rs. 719.5 million. Mark-up is payable at the rate of six months KIBOR plus 1.35% per annum. During the period, mark-up on such arrangement was 7.50% per annum.

## 17. CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

There is no significant change in the status of contingencies set out in note 14 to the Group's annual consolidated financial statements for the year ended 30 June 2017.

### 17.2 Commitments

- 17.2.1 As at 30 September 2017, amount of lease rentals outstanding under the Ijarah financing arrangement is Rs. 343.597 million (30 June 2017: Rs. 366.503 million), which is payable in quarterly installments of Rs. 22.906 million (2017: Rs. 22.906 million) each.
- 17.2.2 Aggregate amount of guarantees issued by conventional side of banks on behalf of the Group against various contracts aggregated to Rs. 2,153 million (30 June 2017: Rs. 1,972 million).
- 17.2.3 Commitments in respect of capital expenditure contracted for by the Group as at 30 September 2017 amounted to Rs. 102.908 million (30 June 2017: Rs. 79.631 million) which includes Rs. 7.462 million related to office premises located in Islamabad payable on completion of project. This also includes commitments contracted by the Subsidiary Companies aggregating to Rs. 12.718 million (30 June 2017: Rs. Nil) in respect of civil work and capital expenditure to acquire plant and machinery.
- 17.2.4 Commitments under letters of credit as at 30 September 2017 amounted to Rs. 332.196 million (30 June 2017: Rs. 767.334 million).

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited First quarter ended	
		30 September 2017	30 September 2016
<b>18. SALES - net</b>			
<i>Local sales</i>			
Bare pipes		2,986,800	2,068,299
Steel billets		1,016,709	197,783
Pipe coating		239,506	204,121
Pre coated pipes		475,610	271,627
Cotton yarn / raw cotton		-	306,047
Electricity sales		4,881	521
Others		39,730	7,509
Scrap / waste		238	8,435
Sales returns		-	(1,199)
		4,763,474	3,063,143
<i>Export sales</i>			
Fabric		13,120	-
		4,776,594	3,063,143
Sales tax		(693,213)	(402,638)
		4,083,381	2,660,505
<b>19. INCOME / (LOSS) FROM INVESTMENTS</b>			
Dividend income	19.1	15,357	8,358
Unrealized gain on commodity		-	257
Gain on sale of investments - net	19.2	1,904	10,643
Unrealized (loss) / gain on held for trading investments	19.3	(53,915)	44,680
Rent from investment property	19.6	1,160	2,190
		(35,494)	66,128

19.1 This includes Rs. 2.489 million earned on investments in Shariah Compliant Investee Companies.

19.2 This includes Rs. 1.315 million earned on investments in Shariah Compliant Investee Companies.

19.3 This includes Rs. 8.668 million on investment in Shariah Compliant Investee Companies.

19.4 Unrealized gain amounting to Rs. 12.956 million on investment in The Crescent Textile Mills Limited - Non Shariah Compliant Investee Company was recognized in the other comprehensive income during the period.

19.5 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.

19.6 Direct operating expenses incurred against rental income from investment property amounted to Rs. 1.685 million (2016: Rs. 1.503 million). Further, Rs. 0.249 million (2016: Rs. 0.257 million) were incurred against non rented out area.

Rupees in '000	Unaudited First quarter ended	
	30 September 2017	30 September 2016
<b>20. OTHER OPERATING EXPENSES</b>		
Exchange loss	12,888	2,578
Loss on disposal of operating fixed assets	6	-
Provision for:		
Workers' Profit Participation Fund	17,558	17,837
Workers' Welfare Fund	6,377	5,268
Liquidated damages	4,630	-
Liquidated damages	-	64,999
	41,459	90,682
<b>21. FINANCE COSTS</b>		
Mark-up on short term loans - Shariah arrangement	10,575	4,002
Interest on - Non - Shariah arrangement		
- finance lease obligations	2,921	3,044
- long term loan	8,505	10,334
- running finances / short term loans	61,224	41,270
Discounting of lease deposit	2,844	-
Bank charges	2,013	4,868
	88,082	63,518
<b>22. BASIC AND DILUTED EARNINGS PER SHARE</b>		
Profit for the period	89,585	201,418
	(Number of shares)	
Weighted average number of ordinary shares in issue		
during the period	77,632,491	77,632,491
	(Rupees)	
Basic and diluted earnings per share	1.15	2.59

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

Rupees in '000	Note	Unaudited First quarter ended	
		30 September 2017	30 September 2016
<b>23. CASH (USED IN) / GENERALTED FROM OPERATIONS</b>			
Profit before taxation for the period		180,817	303,944
<i>Adjustments for non cash charges and other items</i>			
Depreciation on operating fixed assets and investment properties		54,028	51,803
Amortization of intangible assets		959	1,558
Charge for the period on staff retirement benefit funds		-	4,913
Charge for compensated absences		285	78
Provision for 10-C bonus		489	493
Dividend income		(15,357)	(8,358)
Unrealized loss / (gain) on held for trading investments - net		53,915	(44,680)
Gain on sale of investments - net		(1,904)	(10,643)
Unrealized gain on commodity - Silver		-	(257)
Provision for Workers' Welfare Fund		6,357	5,254
Provision for Workers' Profit Participation Fund		17,558	17,837
Return on deposits		(367)	(652)
Loss / (gain) on disposal of operating fixed assets		6	(1,001)
Deferred income		(1,197)	(1,157)
Discounting on long term deposit		2,844	-
Unwinding of discount on long term deposit		(3,795)	(4,186)
Liabilities written back		(2)	-
Finance costs		85,236	63,518
Share of profit from equity accounted investees - net of taxation		(42,718)	(53,687)
Working capital changes	23.1	(1,079,087)	331,448
		(741,933)	656,225
<b>23.1 Working capital changes</b>			
(Increase) / decrease in current assets			
Stores, spares and loose tools		(14,962)	(27,403)
Stock-in-trade		918,688	451,244
Trade debts		(766,329)	(588,219)
Advances		(19,027)	(76,498)
Trade deposits and short term prepayments		4,521	(3,739)
Other receivables		(634,511)	(116,177)
		(511,620)	(360,792)
(Decrease) / increase in current liabilities			
Trade and other payables		(567,467)	692,240
		(1,079,087)	331,448
<b>24. CASH AND CASH EQUIVALENTS</b>			
Running finances under mark-up arrangements		(605,749)	(188,552)
Cash and bank balances		32,908	46,089
		(572,841)	(142,463)

## 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 operations of the Subsidiary Company.

Information regarding the Group's reportable segments presented below.

### 25.2 Segment revenues and results

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

	Unaudited					Total
	Steel segment	Cotton segment	IID segment	Energy segment	Inter-segment Eliminations /adjustments	
Rupees in '000						
<b>For the first quarter ended 30 September 2017</b>						
Sales - net	4,159,210	13,358	-	126,315	(215,502)	4,083,381
Cost of sales	3,696,650	24,112	-	214,976	(217,342)	3,718,396
Gross profit / (loss)	462,560	(10,754)	-	(88,661)	1,840	364,985
Income from investment	-	-	218,910	712	(255,116)	(35,494)
	462,560	(10,754)	218,910	(87,949)	(253,276)	329,491
Distribution and selling expenses	3,743	1,970	-	-	-	5,713
Administrative expenses	53,902	3,084	5,756	2,093	(830)	64,005
Other operating expenses	41,558	(105)	6	-	-	41,459
	99,203	4,949	5,762	2,093	(830)	111,177
	363,357	(15,703)	213,148	(90,042)	(252,446)	218,314
Other income	13,690	954	-	187	(6,964)	7,867
Operating profit / (loss) before finance costs	377,047	(14,749)	213,148	(89,855)	(259,410)	226,181
Finance costs	86,429	244	6,163	2,210	(6,964)	88,082
Share of profit in equity accounted investees - net of taxation	-	-	42,494	224	-	42,718
Profit / (loss) before taxation	290,618	(14,993)	249,479	(91,841)	(252,446)	180,817
Taxation						91,232
Profit for the period						89,585

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

	Unaudited					Total
	Steel segment	Cotton segment	IID segment	Energy segment	Inter-segment Eliminations /adjustments	
Rupees in '000						
For the first quarter ended 30 September 2016						
Sales - net	2,381,275	308,332	-	42,572	(71,674)	2,660,505
Cost of sales	1,900,882	321,752	-	128,185	(79,528)	2,271,291
Gross profit / (loss)	480,393	(13,420)	-	(85,613)	7,854	389,214
Income from investments	-	-	66,128	-	-	66,128
	480,393	(13,420)	66,128	(85,613)	7,854	455,342
Distribution and selling expenses	2,404	2,919	-	-	-	5,323
Administrative expenses	40,219	7,188	4,960	1,050	-	53,417
Other operating expenses	90,649	-	33	-	-	90,682
	133,272	10,107	4,993	1,050	-	149,422
	347,121	(23,527)	61,135	(86,663)	7,854	305,920
Other income	5,988	1,016	-	851	-	7,855
Operating profit / (loss) before finance costs	353,109	(22,511)	61,135	(85,812)	7,854	313,775
Finance costs	59,291	1,077	3,126	24	-	63,518
Share of profit in equity accounted investees - net of taxation	-	-	53,463	224	-	53,687
Profit / (loss) before taxation	293,818	(23,588)	111,472	(85,612)	7,854	303,944
Taxation	-	-	-	-	-	102,526
Profit for the period	-	-	-	-	-	201,418

25.2.1 Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the period (2016: Nil).

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

25.2.3 The accounting policies of the reportable segments are the same as the Group's accounting policies as described in the annual consolidated financial statements of the Group for the year ended 30 June 2017. The Steel segment allocates certain percentage of the common expenditure to the Cotton 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 information.

## 25.4 Information about major customers

Revenue from major customers of Steel segment represent an aggregate amount of Rs. 3,806.773 million (2016: Rs. 2,325.867 million) of total Steel segment revenue of Rs. 4,159.210 million (2016: Rs. 2,381.275 million). Revenue from a major customer of Cotton segment represent an aggregate amount of Rs. 13.120 million (2016: Rs. 99.059 million) of total Cotton segment revenue of Rs. 13.358 million (2016: Rs. 308.332 million). Revenue from major customers of Energy segment represent an aggregate amount of Rs. 123.262 million (2016: Rs. 42.572 million) of total Energy segment revenue of Rs. 126.315 million (2016: Rs. 42.572 million).

## 25.5 Geographical information

25.5.1 The Group's net revenue from external customers by geographical location is detailed below:

Rupees in '000	Unaudited First quarter ended	
	30 September 2017	30 September 2016
Pakistan	4,070,261	2,660,505
South America	13,120	-
	<b>4,083,381</b>	<b>2,660,505</b>

25.5.2 All non-current assets of the Group as at 30 September 2017 and 30 June 2017 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:

Rupees in '000	Steel segment	Cotton segment	IID segment	Energy segment	Total
<b>As at 30 September 2017 - Unaudited</b>					
Segment assets for reportable segments	8,203,736	365,602	1,486,611	1,083,569	11,139,518
Investment in equity accounted investees	-	-	3,093,355	257,166	3,350,521
Unallocated corporate assets					1,111,919
Total assets as per consolidated balance sheet					<b>15,601,958</b>
Segment liabilities for reportable segments	1,618,356	73,418	172,509	82,215	1,946,498
Unallocated corporate liabilities and deferred income					4,952,576
Total liabilities as per consolidated balance sheet					<b>6,899,074</b>
<b>As at 30 June 2017 - Audited</b>					
Segment assets for reportable segments	7,408,016	399,943	1,497,559	1,278,504	10,584,022
Investment in equity accounted investees	-	-	3,033,910	257,696	3,291,606
Unallocated corporate assets					934,611
Total assets as per consolidated balance sheet					<b>14,810,239</b>
Segment liabilities for reportable segments	2,174,424	79,066	156,672	124,383	2,534,545
Unallocated corporate liabilities and deferred income					3,674,327
Total liabilities as per consolidated balance sheet					<b>6,208,872</b>

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.

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

## 25.7 Other segment information

Rupees in '000	Unaudited				Total
	Steel segment	Cotton segment	IID segment	Energy segment	
<b>For the first quarter ended 30 September 2017</b>					
Capital expenditure	35,362	498	201	114	36,175
Depreciation and amortization	30,662	7,908	1,832	14,585	54,987
Non-cash items other than depreciation and amortization - net	104,040	235	311	(392)	104,194
<b>For the first quarter ended 30 September 2016</b>					
Capital expenditure	35,990	953	178	3,087	40,208
Depreciation and amortization	25,827	10,794	1,859	14,881	53,361
Non-cash items other than depreciation and amortization - net	80,862	1,573	(114,069)	(894)	(32,528)

## 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:

Rupees in '000	Name of entity	Nature of relationship	Nature of transaction	Unaudited First quarter ended	
				30 September 2017	30 September 2016
	Altern Energy Limited	Associated company	Dividend received	255,870	149,045
	Shakarganj Limited	Associated company	Dividend paid	270	4,488
			Sale of finished goods	3,053	521
			Services received	300	302
			Reimbursable expenses	375	360
			Rent expense	156	624
			Purchase of assets	-	2,651
			Right shares subscribed	213,791	-

Rupees in '000

Name of entity	Nature of relationship	Nature of transaction	Unaudited First quarter ended	
			30 September 2017	30 September 2016
Central Depository Company	Related party	Services received	417	366
of Pakistan Limited *		Dividend received	5,032	550
The Citizens' Foundation *	Related party	Donation given	535	85
CSAP Foundation *	Related party	Donation given	1,000	735
Muhammad Amin Muhammad Bashir Limited *	Related party	Dividend paid	1	1
Premier Insurance Limited *	Related party	Insurance premium	1,362	3,694
		Dividend paid	220	166
Crescent Cotton Mills Limited *	Related party	Dividend paid	1	-
CSAP - Staff Benevolent Fund	Staff Welfare Fund	Dividend paid	54	-
Crescent Cotton Products	Retirement benefit fund	Contribution made	400	245
- Staff Provident Fund		Dividend paid	112	112
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	-	1,356
		Dividend paid	2,207	2,207
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	-	3,557
		Dividend paid	4,845	4,845
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	2,108	1,892
		Dividend paid	1,250	1,250
Key management personnel	Related parties	Remuneration and benefits	21,441	19,881
		Dividend paid	907	951
Directors and their spouse	Related parties	Dividend paid	191	247
		Meeting Fee	1,060	510

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

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

- 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 statement of the Group as at and the year ended 30 June 2017.

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.

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:

**30 September 2017 (Unaudited)**

	Carrying Amount		Fair Value				
	Investments	Loans and receivables	Other financial liabilities	Total			
				Level 1	Level 2	Level 3	Total
<b>Rupees in '000</b>							
On-balance sheet financial instruments							
Financial assets measured at fair value							
Investment							
- listed equity securities	1,168,102	-	-	1,168,102	-	-	1,168,102
Financial assets not measured at fair value							
Investments							
- unlisted equity securities	220,717	-	-	-	-	-	220,717
- equity	3,350,521	-	-	-	-	-	3,350,521
- term deposit receipt	20,000	-	-	20,000	-	-	20,000
Deposits	-	244,045	-	244,045	-	-	244,045
Trade debts	-	1,657,068	-	1,657,068	-	-	1,657,068
Other receivables	-	421,640	-	421,640	-	-	421,640
Bank balances	-	31,722	-	31,722	-	-	31,722
	3,591,238	2,354,475	-	5,945,713	-	-	5,945,713
Financial liabilities not measured at fair value							
Long term loans							
Liabilities against assets subject to finance lease	-	-	414,197	-	-	-	414,197
Trade and other payable	-	-	110,037	-	-	-	110,037
Mark-up accrued	-	-	725,925	-	-	-	725,925
Short term borrowings	-	-	36,688	-	-	-	36,688
	-	-	4,282,599	-	-	-	4,282,599
	-	-	5,569,446	-	-	-	5,569,446

# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

For the first quarter ended 30 September 2017

30 September 2017 (Unaudited)

	Carrying Amount			Fair Value				
	Investments	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in '000								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investment								
- listed equity securities	1,189,762	-	-	1,189,762	1,189,762	-	-	1,189,762
Financial assets not measured at fair value								
Investments								
- unlisted equity securities	220,717	-	-	220,717	-	-	-	-
- equity	3,291,606	-	-	3,291,606	-	-	-	-
- term deposit receipt	11,500	-	-	11,500	-	-	-	-
Deposits	-	240,920	-	240,920	-	-	-	-
Trade debts	-	890,794	-	890,794	-	-	-	-
Other receivables	-	411,182	-	411,182	-	-	-	-
Bank balances	-	84,867	-	84,867	-	-	-	-
	3,523,823	1,627,763	-	5,151,586	-	-	-	-
Financial liabilities not measured at fair value								
Long term loan	-	-	462,981	462,981	-	-	-	-
Liabilities against assets subject to finance lease	-	-	105,306	105,306	-	-	-	-
Trade and other payable	-	-	1,971,440	1,971,440	-	-	-	-
Mark-up accrued	-	-	31,631	31,631	-	-	-	-
Short term borrowings	-	-	2,904,166	2,904,166	-	-	-	-
	-	-	5,475,524	5,475,524	-	-	-	-

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.

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 information.

## 28. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim consolidated financial information was authorized for issue in the Board of Directors meeting held on 26 October 2017.



Chief Executive



Director



Chief Financial Officer

## ڈائریکٹر صاحبان کا جائزہ

گروپ بنیاد پر مروجہ بیننس شیٹ فونگ 30 جون 2017 کو 14,810 ملین روپے سے بڑھ کر 15,601 ملین روپے پر آگئی۔ کل شیئر ہولڈرز فنڈ 30 جون 2017 کو 8,601.4 ملین روپے سے بڑھ کر 8,702.9 ملین روپے ہو گیا۔ بریک اپ ویلیو فی شیئر 30 جون 2017 کو 110.8 روپے تھی، بڑھ کر 112.10 روپے ہو گئی۔

### مستقبل کا منظر نامہ

ہم اس وقت موجود لائن پائپ اور کوننگ کے باقی آرڈر کی تکمیل میں مصروف رہینگے۔ ہم نے گیس پمپنگ کمپنیوں کی طرف سے جاری کیے جانے والے ٹینڈرز میں بھی حصہ لیا ہے، جس کے نتائج جلد متوقع ہیں۔ ہم یہ خیال کرتے ہیں کہ دوسری سرمایہ کے خاتمے اور تیسری سرمایہ کے آغاز میں نئے متوقع آرڈرز کے ملنے کے درمیان وقفہ ہوگا۔ تاہم، ہم اس کے بعد مضبوط طلب دیکھتے ہیں۔

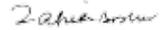
سیاسی خطرات ایگزیکوشن رسک کی راہ ہموار کر رہے ہیں اور ابھرتی ہوئی اسمٹل مارکیٹ کو مسلسل چیلنجز کا سامنا رہے گا۔ استعداد کا استعمال اور خام مال کی محتاط سورشنگ ہماری توجہ کا محور ہے گی۔

کنپینل مارکیٹ کا منظر نامہ بدستور نیوٹرل ہے کیونکہ لیکویڈیٹی مضبوط ہے اور مارکیٹ 8.2x کے فارورڈ PE پر بدستور ڈسکاؤنڈڈ ہے۔ سیاسی اور معاشی غیر یقینی، مثبت درمیانی - طویل المدت سوچ کے ساتھ مارکیٹ کو دباؤ میں رکھے گی۔

میں تمام اسٹیک ہولڈرز کا، ان کی سرپرستی پر شکریہ ادا کرتا ہوں اور ان کی مسلسل تائید کی امید رکھتا ہوں۔



احسان ایم سلیم  
چیف ایگزیکٹو آفیسر



زابدیشیر  
ڈائریکٹر

26 اکتوبر 2017

## ڈائریکٹر صاحبان کا جائزہ

### سیگمنٹ پرفارمنس

30 ستمبر، 2017 کو ختم ہونے والی مدت کے دوران آئی آئی ڈی ڈو پڑن کے ایچ ایف ٹی سیگمنٹ نے 498.8 ملین روپے کی سرمایہ کاری کی ویٹھیڈ اوسط سرمایہ کاری پر 4.93 فیصد کا منفی آرا و آئی ریکارڈ کیا۔ 30 ستمبر، 2017 کو ختم ہونے والی مدت کے لیے پورٹ فولیو کا مجموعی منافع قبل از ٹیکس (پی بی ٹی)، مالی سال 2017 کی پہلی سہ ماہی (پی بی ٹی) کے 169.4 ملین روپے کے مقابلہ میں 215.1 ملین روپے پر رہا۔ منافع زیادہ تر 255.1 ملین روپے کی منافع منقسمہ کی آمدنی پر مشتمل ہے۔

### مجموعی مالیاتی پرفارمنس - مربوط

مجموعی بنیاد پر، آپریٹنگ منافع قبل از فنانس لاگسٹ 226.2 ملین روپے تھی (مالی سال 17 کی پہلی سہ ماہی: 313.8 ملین روپے)۔ ایکویٹی اکاؤنٹیڈ ایوسی ایٹس سے منافع کا خالص شیئر 42.7 ملین روپے تھا (مالی سال 17 کی پہلی سہ ماہی: 53.7 ملین روپے)۔

اس کے نتیجے میں مالی سال 2018 کی پہلی سہ ماہی میں گروپ کا ٹیکس کے بعد منافع 89.6 ملین روپے اور ای پی ایس 1.15 روپے فی شیئر ہو گئی، گزشتہ سال اسی مدت میں ٹیکس کے بعد منافع 201.4 ملین روپے اور ای پی ایس 2.59 روپے فی شیئر تھی۔

مالی سال 2018 کی پہلی سہ ماہی میں شکر گنج انرجی پرائیویٹ لمیٹڈ (ایس ای ایل) نے 84.4 ملین روپے کا خسارہ دکھایا (مالی سال 17 کی پہلی سہ ماہی: 85.5 ملین روپے کا خسارہ) مالی سال 2018 کی پہلی سہ ماہی میں کریڈٹ حدید (سی ایچ ایل) نے 30 ملین روپے کا خسارہ رپورٹ کیا (مالی سال 17 کی پہلی سہ ماہی: 39.6 ملین روپے)۔

مربوط نتائج کے مطابق 30 ستمبر، 2017 کو ختم ہونے والی مدت کے لیے آئی آئی ڈی ڈو پڑن کے لیے ٹیکس سے قبل خسارہ (ایل بی ٹی)، بشمول سی ایس ای ایل مالی سال 17 کی پہلی سہ ماہی میں 111.5 ملین روپے کے قبل از ٹیکس منافع (پی بی ٹی) کے مقابلے میں 4.9 ملین روپے تھا۔ ایل بی ٹی، غیر حقیقی نقصانات میں 54 ملین روپے اور ایکویٹی اکاؤنٹیڈ انویسٹمنٹ سے 42.5 ملین روپے کے شیئر آف پرافٹ (خالص) پر مشتمل ہے۔

### مالیاتی پوزیشن

#### بیلنس شیٹ

بیلنس شیٹ 30 جون، 2017 کو 12,179.6 ملین روپے کے مقابلے میں 30 ستمبر، 2017 کو 13,430.0 ملین روپے پر تھی۔ بریک اپ ویلیو فی شیئر 30 جون، 2017 کو 87.8 روپے کے مقابلہ میں بڑھ کر 93.3 روپے ہو گئی۔

کرنٹ ریٹو 30 جون 2017 کے 1.4:1 پر برقرار رکھا گیا۔ گینرنگ ریٹو، جو 30 جون 2017 کو 31 فیصد تھا 30 ستمبر، 2017 کو بڑھ کر 38.2 فیصد ہو گیا۔

## ڈائریکٹر صاحبان کا جائزہ

کمپنی کی غیر مربوط مالیاتی معلومات کے مطابق آپریٹنگ نتائج کا خلاصہ

- سیلز ریونیو مالی سال 17 کی پہلی سہ ماہی میں 2,520.7 ملین روپے کے مقابلے میں 31 فیصد بڑھ کر 3,303.6 ملین روپے ہو گیا۔
- سرمایہ کاری سے منافع مالی سال 17 کی پہلی سہ ماہی میں 174.2 ملین روپے کے مقابلے میں 222.7 ملین روپے تک پہنچ گیا جبکہ دیگر آمدنی مالی سال 17 کی پہلی سہ ماہی میں 7 ملین روپے سے بڑھ کر 13.6 ملین روپے ہو گئی۔
- مجموعی منافع، مالی سال 17 کی پہلی سہ ماہی میں 500.5 ملین روپے کے مقابلے میں 5.89 فیصد کم ہو کر 471.1 ملین روپے رہا۔
- ای بی آئی ٹی، مالی سال 17 کی پہلی سہ ماہی میں 538.1 ملین روپے کے مقابلے میں 12.5 فیصد بڑھ کر 605.2 ملین روپے پر آ گیا۔
- ای بی آئی ٹی ڈی ای، مالی سال 17 کی پہلی سہ ماہی میں 563.4 ملین روپے کے مقابلے میں 12 فیصد بڑھ کر 631.1 ملین روپے ہو گیا۔
- ای پی ایس، مالی سال 17 کی پہلی سہ ماہی میں 4.83 روپے کے مقابلے میں رواں مدت کے لیے بڑھ کر 5.44 روپے ہو گئی۔
- ایوریج کنکریٹل ایسپلائنڈ (سالانہ) پر منافع، پچھلے سال کی اسی مدت میں 25.7 فیصد کے مقابلے میں رواں مدت کے لیے 22.4 فیصد رہا۔
- بریک اپ ویلیو فی شیئر، 30 جون 2017 کو 87.8 روپے تھی جو بڑھ کر 93.3 روپے ہو گئی۔

## برنس سگمنٹس

اسٹیل

سگمنٹ پرفارمنس

اسٹیل ڈویژن نے 325.8 ملین روپے کا پی بی ٹی کمایا (مالی سال 17 کی پہلی سہ ماہی میں 333.6 ملین روپے) اسٹیس پائلڈ سٹیل پوری مدت میں زیادہ رہی۔

رواں مدت کے دوران 3,290.2 ملین روپے کا ریونیو حاصل کیا گیا، جو سال بہ سال 48.7 فیصد زیادہ ہے۔ مجموعی منافع (جی پی) مالی سال 17 کی پہلی سہ ماہی میں 513.9 ملین روپے کے مقابلے میں کم ہو کر 481.8 ملین روپے پر آ گیا، اس کی بنیادی وجہ بڑھتی ہوئی ایچ آئی قیمتیں ہیں۔

انوسٹیٹ ایئر انفراسٹرکچر ڈیولپمنٹ (آئی آئی ڈی)

مارکیٹ کا جائزہ

مالی سال 2018 کی پہلی سہ ماہی کے دوران شیڈ مارک کے ایس ای-100 انڈیکس دباؤ میں رہا اور 8.93 فیصد گر گیا۔ والیومز مسلسل نیچے کی طرف رہیں اور اوسط روزانہ ٹرن اور، مالی سال 2017 کی چوتھی سہ ماہی میں 281 ملین شیئرز کے مقابلے میں 178 ملین پر آ گیا، اور اوسط روزانہ ٹریڈ ویلیو 2017 کی چوتھی سہ ماہی میں 145 ملین امریکی ڈالر کے مقابلے میں کم ہو کر 88.9 ملین امریکی ڈالر ہو گئی۔

## ڈائریکٹر صاحبان کا جائزہ

محترم شہباز ہولڈرز صاحبان،

مجھے، 30 ستمبر 2017 کو ختم ہونے والی سہ ماہی کے لیے کمپنی اور گروپ کی غیر آڈٹ شدہ غیر مر بوط اور مر بوط عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی ہو رہی ہے۔

### معاشی منظر نامہ

درمیانی اور طویل مدتی منظر نامہ موافق ہے، مالی سال 18 میں ترقی کی شرح 5-6% کے درمیان متوقع ہے جو اگلے تین سالوں میں مستحکم رہے گے۔ معاشی اور ساختی اصلاحات، بہتر سیکورٹی اور بڑھتی ہوئی خسارے کی مینیجمنٹ پائیدار افزائش کے لیے معاون ثابت ہوگی۔ فوری طور پر مختصر مدت میں سیاسی غیر یقینی صورتحال سرحدی حالات اور منصوبوں کی رفتار پر اثر انداز ہوگی۔ تاہم توانائی کے بنیادی ڈھانچے میں اصلاحات، داخلی اور دو طرفہ منصوبوں اور بڑھتی ہوئی داخلی مانگ ترقی اور مارکیٹوں تک رسائی میں اضافہ کریگی۔ اصلاحاتی منصوبوں اور موثر بیٹینس آف مینیجمنٹ کسی بھی منفی حالات کو مناسب طریقے سے جذب کرے گی۔

### مالیاتی اور آپریشنل کارکردگی

مجموعی مالیاتی کارکردگی

مالی سال 18 کی پہلی سہ ماہی میں کمپنی کا بعد از ٹیکس منافع (پی اے ٹی) گزشتہ سال کی اسی مدت کے 374.9 ملین روپے کے مقابلے میں بڑھ کر 422.2 ملین روپے ہو گیا۔ اس مدت کے لیے آمدنی فی شیئر (پی اے ٹی ایس) بچھلے سال کی اسی مدت میں 4.83 روپے کے مقابلے میں 5.44 روپے رہی۔

کمپنی کا سیلز ریونیو 3,303.6 ملین روپے رہا (مالی سال 17 کی پہلی سہ ماہی میں 2,520.6 ملین روپے تھا) یہ سال بہ سال 31.1 فیصد زیادہ ہے، جو زیادہ تر اسٹیل ڈویژن میں لائسنس پائپ سیکڑ کو ظاہر کرتا ہے۔ آئی آئی ڈی ڈویژن سے سرمایہ کاری کی آمدنی 222.7 ملین روپے رہی (مالی سال 17 کی پہلی سہ ماہی میں سرمایہ کاری سے آمدنی 174.2 ملین روپے تھی)

مجموعی منافع (جی پی اے) 471.1 ملین روپے رہا (مالی سال 17 کی پہلی سہ ماہی میں 500.5 ملین روپے) یہ سارا اسٹیل ڈویژن کا مہربون منت ہے جس نے 481.8 ملین روپے کا جی پی اے حاصل کیا (مالی سال 17 کی پہلی سہ ماہی میں 513.9 ملین روپے)۔

کمپنی نے 525.9 ملین روپے کا قبل از ٹیکس منافع (پی پی ٹی) کمایا (مالی سال 17 کی پہلی سہ ماہی میں 479.5 ملین روپے) اس مدت کے لیے اسٹیل ڈویژن کا پی پی ٹی 325.7 ملین روپے رہا (مالی سال 17 کی پہلی سہ ماہی میں 333.6 ملین روپے) جبکہ کاسٹن ڈویژن نے 14.9 ملین روپے کا قبل از ٹیکس خسارہ (ایل بی ٹی) ہوا (مالی سال 17 کی پہلی سہ ماہی میں 23.6 ملین روپے کا ایل بی ٹی) آئی آئی ڈی نے 215.1 ملین روپے کا پی پی ٹی حاصل کیا (مالی سال 17 کی پہلی سہ ماہی میں 169.4 ملین روپے)۔







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The greatest thing that we can leave to our next generation is the Earth. Together, we can save it from harm today so that it can give back to us tomorrow.