

TRIBUTE TO MEN OF HONOR & WISDOM

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
الحمد لله الذي هدانا لهذا
هذا كنا كنا الضالين الضالين



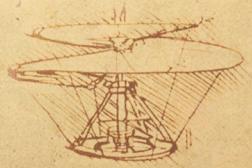
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CONDENSED
INTERIM REPORT
FOR THE NINE
MONTHS
PERIOD ENDED
MARCH 2012

*Runham
I find we have
air Comp
power station that
supplies # 24 bldg
with air -
Why do we have to
Run this when we
already have air
Comp in 24
bldg
Edison*



Crescent Steel & Allied Products Ltd.





Crescent Steel &
Allied Products Ltd.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mazhar Karim	<i>Chairman, Non-Executive Director</i>
Ahsan M. Saleem	<i>Chief Executive & Managing Director</i>
Ahmad Waqar	<i>Non-Executive Director (Independent)</i>
Nasir Shafi	<i>Non-Executive Director</i>
S.M. Ehtishamullah	<i>Non-Executive Director (Independent)</i>
Syed Zahid Hussain	<i>Non-Executive Director (NIT Nominee)</i>
Zahid Bashir	<i>Non-Executive Director</i>
Muhammad Saad Thaniana	<i>Company Secretary</i>

AUDIT COMMITTEE

Syed Zahid Hussain	<i>Chairman</i>
Nasir Shafi	
S.M. Ehtishamullah	
BDO Ebrahim & Co. Chartered Accountants (Zulfikar Ali Causer - Engagement Partner)	<i>Head of Internal Audit</i>

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Syed Zahid Hussain	<i>Chairman</i>
S.M. Ehtishamullah	
Zahid Bashir	

GOVERNANCE AND EVALUATION COMMITTEE

Ahmad Waqar	<i>Chairman</i>
Zahid Bashir	

EXECUTIVE COMMITTEE

Ahsan M. Saleem	<i>Chairman</i>
Iqbal Zafar Siddiqui	
Muhammad Saad Thaniana	

BUSINESS STRATEGY COMMITTEE

Ahsan M. Saleem	<i>Chairman</i>
Abdul Rouf	
Arif Raza	
Iqbal Zafar Siddiqui	
Muhammad Saad Thaniana	

SYSTEM AND TECHNOLOGY COMMITTEE

Ahsan M. Saleem	<i>Chairman</i>
Muhammad Saad Thaniana	
Asif Masroor	

INVESTMENT COMMITTEE

Ahsan M. Saleem	<i>Chairman</i>
Muhammad Saad Thaniana	
Mohammad Yamin	

SOCIAL INVESTMENT COMMITTEE

Muhammad Saad Thaniana	<i>Chairman</i>
Abdul Rouf	
Iqbal Zafar Siddiqui	

THE MANAGEMENT

Chief Executive and Managing Director Ahsan M. Saleem, 58 1983*
Chief Financial Officer Muhammad Saad Thaniana, 44 2007*
BU Head - Steel Division Iqbal Zafar Siddiqui, 61 2008*
BU Head - Cotton Division Abdul Rouf, 51 2000*
Human Resource Advisor Ehsan Durrani, 63 2008*
Head of Marketing Steel Division Arif Raza, 49 1985*

* Year joined Company



DIRECTORS' REVIEW

Dear Shareholders

I am pleased to present to you the unaudited unconsolidated and consolidated condensed interim financial information of the Company and the Group respectively for the nine months period ended 31 March 2012.

ECONOMIC OUTLOOK

The challenges facing the economy emerge from the fears of a double dip global recession, rise in oil prices, persisting domestic energy crisis, delays in reforming public sector entities and expected currency depreciation and concerns about macro-economic stability. Looking forward, these challenges could lead to adverse implications for the business environment.

FINANCIAL AND OPERATIONAL PERFORMANCE

Overall financial performance

After a loss in the first quarter, there was a recovery in the second and third quarters in terms of profitability whereby all the segments contributed to a positive bottom line. On the basis of unconsolidated results, the Company's profit after tax for the nine months period ended 31 March 2012 stood at Rs. 122.3 million as compared to profit after taxation of Rs. 467.3 million in the corresponding period last year. Earnings per share (EPS) for the nine months (9MFY12) stood at Rs. 2.17 as compared to Rs. 8.28 for the corresponding period last year. Overall profitability of the third quarter of the current financial year (Q3FY12) amounted to Rs. 86 million as compared to Rs. 197.5 million in same period last year.

After an extra ordinary season last year, the profits in Cotton segment have come down steeply but to usual level. Operation in all three quarters have been profitable. However, due to an inventory loss of Rs. 82 million charged in the first quarter, resulted in increase in cost of sales and consequently a loss of Rs. 79.8 million. The above loss of Cotton segment has progressively reduced to Rs. 53.2 million (9MFY12) due to net profits of Rs. 11.1 million and Rs. 15.5 million in the 2nd and 3rd quarter respectively. Further the Cotton segment performance during the current quarter was also affected due to loss of revenue on account of shut down of Unit-2 as mentioned in note 2 of Unconsolidated and Consolidated Financial Information.

Steel segment pre-tax profits for the 9MFY12 stood at Rs. 208.3 million as compared to Rs. 152.6 million in 9MFY11. Sales revenue generated during 9MFY12 amounted to Rs. 3,077.5 million as compared to Rs. 3,338.8 million in 9MFY11. Profit before taxation of IID segment amounted to Rs. 34.3 million.

On Group basis (including the results of wholly owned subsidiary companies), consolidated profit after taxation for 9MFY12 amounted to Rs. 263.5 million (9MFY11: Rs. 625.4 million) and EPS stood at Rs. 4.67 (9MFY11: Rs. 11.08). In the condensed interim consolidated financial information, investments in associates have been accounted for under the equity method of accounting. Share of profit from associates during the current period amounted to Rs. 160.1 million (9MFY11: Rs. 156.1 million).

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

- Sales revenue (net) for 9MFY12 stood at Rs. 3,077.5 million as compared to Rs. 3,338.8 million in 9MFY11.
- Income from investments amounted to Rs. 66.9 million as compared to Rs. 164.6 million in for the corresponding period last year.
- EBITDA for the nine months period ended 31 March 2012 at Rs. 388.4 million as compared to Rs. 891.5 million for the same period ended 31 March 2012.
- EPS stood Rs. 2.17 for 9MFY12 as compared to Rs. 8.28 in 9MFY11.
- Return on average capital employed (annualized) for the current period stood at 10.3 percent as compared to 21.4 percent for the same period last year.
- Return on average equity (annualized) down to 5.9% for the current period as compared to 18% for the nine months period ended 31 March 2011.
- Break-up value per share increased to Rs. 51.7 from Rs. 50.9 as at 30 June 2011.

UPDATE ON INSURANCE CLAIM

On 7 January 2012, a major fire broke out in the main production area of the Spinning Unit No.2 (comprising of 25,344 spindles) of the Cotton segment of the Company situated in Jaranwala. This caused severe damage to the entire production area including building, plant & machinery, equipment and work in process. The above assets are fully insured and the company had lodged insurance.

The company is, at present, in the process of quantifying the financial impact of impairment in building, plant & machinery and equipment due to damage referred above. Accordingly, in the absence of an estimate of the financial impact of the loss incurred, the impairment in building, plant & machinery and equipment, have not been recognized consequently the claim receivable is also not recorded.

BUSINESS SEGMENTS

Steel segment

Segment performance

Sales revenue generated by Steel segment for the nine months period ended 31 March 2012 (9MFY12) amounted to Rs. 955 million as compared to Rs. 920.2 million for the corresponding period last year. Sales revenue and gross profit (GP) were higher by 3.8% and 27.9% respectively as compared to corresponding period results. This performance of Steel segment in the 2nd and 3rd quarters after the lean performance in 1st quarter was mainly contributed by coating unit.

Cotton segment

Segment performance

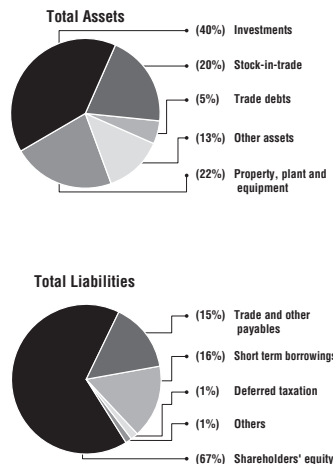
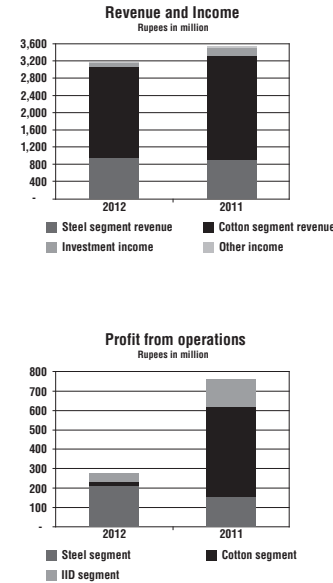
Cotton segment recorded sales revenue of Rs. 2,122.5 million for the nine months period ended 31 March 2012 (9MFY12), decrease of 12.2% as compared to Rs. 2,418.6 million in the same period last year due to decrease in average selling price and loss of production / sales of yarn attributable to fire at Unit-2 as mentioned in note 2 of Unconsolidated and Consolidated Financial Information. The gross profit for the period was Rs. 67.8 million as compared to gross profit of Rs. 531.3 million in the same period last year due to inventory losses as explained above and decrease in average selling price by 29.7% whereas cotton consumption cost decreased by (0.7%) only resulting in substantial reduction of margins. The pre-tax net loss for the period was Rs. 53.2 million as compared to net profit of Rs. 371.2 million in the same period last year.

Investment and infrastructure development segment

Segment performance

Income from investment activities during the nine months period ended 31 March 2012 amounted to Rs. 66.9 million as compared to Rs. 164.6 million for the same period last year. As per unconsolidated financial information, profit before taxation for 9MFY12 stood at Rs. 34.3 million as compared to profit before taxation of Rs. 131.5 million in 9MFY11. Profit before taxation as per the consolidated financial information amounted to Rs. 163.5 million (9MFY12: Rs. 271.8 million) including share of profit from equity accounted associates amounting to Rs. 160.1 million as compared to Rs. 156.1 million for same period last year.

The value of investments in marketable securities (excluding strategic investments) amounted to Rs. 474.5 million as compared to Rs. 490.6 million as of 30 June 2011. The closing position of the portfolio as of 31 March 2012 was Rs. 1,709.5 million and Rs. 2,207.9



DIRECTORS' REVIEW

million as per unconsolidated and consolidated financial information respectively as compared to Rs. 1,683.4 million and Rs. 2,005.3 million respectively as of 30 June 2011. Profit on held for trading investments during the period under review stood at 10.2% on an average investment of Rs. 381.4 million. In the same period, KSE-100 index increased by 10.10%.

Panoramically, first half of current fiscal year was highly volatile with an average daily turnover of 41.5 million shares, whereas the following three months to 31 March 2012 demonstrated 21.27% rise that closed the KSE-100 benchmark at 13,761.76 points; resulting in the highest gain during any of the March quarters since the year 2006. During the nine months ended 31 March 2012 the KSE-100 index surged by 1,265.73 points or 10.13% primarily due to expectation of simplification of the Capital Gains Tax collection process by the Regulators, incessant foreign inflows, and healthy corporate payouts.

Despite the sluggish economy, the persistent political uncertainty and challenging security environment coupled with prevalent energy crisis; the benchmark index is likely to sustain, if not surge, during final quarter of FY12.

Shakarganj Energy (Private) Limited (SEL) (wholly owned subsidiary company)

Commercial operations of SEL have not yet commenced and the power plant is in commissioning stage and is expected to complete in the coming season. During the current period, SEL posted profit after taxation of Rs. 15.8 million mainly being share of profit from equity accounted associate (Altern Energy Limited).

CS Capital (Private) Limited (wholly owned subsidiary company)

Operations of this newly acquired subsidiary have commenced and certain investments have been made during the period under review.

FINANCIAL POSITION

Balance sheet

Balance sheet footing it increased to Rs. 4,379.9 million as of 31 March 2012 as compared to Rs. 4,054.9 million as of 30 June 2011. Break-up value per share increased to Rs. 51.7 from Rs. 50.9 as at 30 June 2011. Current ratio decreased to 1.5:1 as of 31 March 2012 from 1.6:1 as at 30 June 2011. The Company's gearing position stood at 19% as of 31 March 2012 as compared to 20% as at 30 June 2011.

On a Group basis, the consolidated balance sheet footing also enhanced to Rs. 5,301.1 million as compared to Rs. 4,905.2 million as of 30 June 2011.

The total of shareholder's fund stood at Rs. 3,835.9 million as compared to Rs. 3,601.3 million as of 30 June 2011.

Dividend

Based on the operating performance and results, the board in their meeting held on 30 April 2012 has decided to pay an interim cash dividend of 10% i.e. Rupee one per share.

FUTURE OUTLOOK

After a lean period, it seems that fresh demand for line-pipes will be forthcoming and it should substantially increase capacity utilization in the coming quarters.

In view of the current gas crises, the Ministry of Petroleum has instructed Oil and Gas exploration companies to expedite their exploration projects. Therefore, gas distribution companies have initiated a gas infrastructure development project against which they have already started to invite bids.

With respect to the Iran Pakistan Pipeline Project, certain significant developments have taken place. Inter State Gas Systems (Private) Limited, namely ISGS completed the prequalification process and your Company was pre-qualified with other international companies. CSAPL was the only Pakistani company to be pre-qualified.

Global textile market is still uncertain due to economic reasons. China is out of market due to low export demands. There are moderate margins in spinning but due to loss of Unit 2 our production capacity is limited.

RECONSTITUTION AND CHANGE THE NAME OF HUMAN RESOURCE COMMITTEE

Human Resource Committee of the board was reconstituted and its name changed as "Human Resource and Remuneration Committee (HR & R Committee)" to bring it in line with the revised Code of Corporate Governance, 2012 issued by the SECP. Consequently the "Terms of Reference (TOR's)" of HR Committee have been revised to include review of remuneration to Key management including CEO which were hitherto included in the TOR's of the Governance Committee.

I would also like to record our appreciation to all the stakeholders and look forward towards their continued support.

For and on behalf of the Board of Directors

Ahsan M. Saleem
Chief Executive
30 April 2012



Crescent Steel &
Allied Products Ltd.

CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET (UNAUDITED)

As at 31 March 2012

Note	Unaudited 31 March 2012 (Rupees in '000)	Audited 30 June 2011 (Rupees in '000)
ASSETS		
Non-current assets		
Property, plant and equipment	6 979,893	1,020,812
Intangible assets	4,439	12,964
Investment property	36,783	40,234
Long term investments	7 1,217,474	1,168,777
Long term loans and deposits	20,139	15,348
	<u>2,258,728</u>	<u>2,258,135</u>
Current assets		
Stores, spares and loose tools	71,950	66,217
Stock-in-trade	8 894,371	840,571
Trade debts	9 209,280	145,072
Loan and advances	10 249,757	103,765
Trade deposits and short term prepayments	6,587	5,803
Investments	11 474,457	490,605
Current portion of long term investments	12 17,611	23,974
Mark-up accrued	8,712	2,807
Other receivables	96,139	60,264
Taxation - net	61,949	41,140
Cash and bank balances	30,328	16,518
	<u>2,121,141</u>	<u>1,796,736</u>
Total assets	<u>4,379,869</u>	<u>4,054,871</u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital		
100,000,000 ordinary shares of Rs. 10 each	1,000,000	1,000,000
Issued, subscribed and paid-up capital	564,600	564,600
Capital reserves	356,215	353,007
Revenue reserves	1,996,340	1,958,719
	<u>2,917,155</u>	<u>2,876,326</u>
Non-current liabilities		
Liabilities against assets subject to finance lease	13 16,320	15,362
Deferred taxation	53,650	50,357
	<u>69,970</u>	<u>65,719</u>
Current liabilities		
Trade and other payables	14 648,829	370,138
Mark-up accrued	25,116	23,735
Short term borrowings	15 711,260	706,966
Current portion of liabilities against assets subject to finance lease	13 7,539	11,987
	<u>1,392,744</u>	<u>1,112,826</u>
Contingencies and commitments	16	
Total equity and liabilities	<u>4,379,869</u>	<u>4,054,871</u>

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

Chief Executive

Director

CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the quarter and nine months period ended 31 March 2012

Note	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Sales - net	17 708,545	1,327,766	3,077,542	3,338,818
Cost of sales	580,655	989,194	2,685,186	2,553,782
Gross profit	<u>127,890</u>	<u>338,572</u>	<u>392,356</u>	<u>785,036</u>
Income from investments	18 54,288	26,973	66,904	164,557
	<u>182,178</u>	<u>365,545</u>	<u>459,260</u>	<u>949,593</u>
Distribution and selling expenses	10,480	11,800	32,505	29,598
Administrative expenses	33,603	37,368	118,689	119,245
Other operating expenses	19 5,559	19,601	55,723	74,020
	<u>49,642</u>	<u>68,769</u>	<u>206,917</u>	<u>222,863</u>
	<u>132,536</u>	<u>296,776</u>	<u>252,343</u>	<u>726,730</u>
Other operating income	7,221	22,136	21,669	35,648
Operating profit before finance costs	<u>139,757</u>	<u>318,912</u>	<u>274,012</u>	<u>762,378</u>
Finance costs	20 27,557	38,958	84,653	107,059
Profit before taxation	<u>112,200</u>	<u>279,954</u>	<u>189,359</u>	<u>655,319</u>
Taxation - current	26,403	88,991	67,328	212,300
- prior	-	-	(3,572)	(712)
- deferred	(191)	(6,564)	3,292	(23,543)
	<u>26,212</u>	<u>82,427</u>	<u>67,048</u>	<u>188,045</u>
Profit after taxation for the period	<u>85,988</u>	<u>197,527</u>	<u>122,311</u>	<u>467,274</u>
	(Rupees)			
Basic and diluted earnings per share	21 1.52	3.50	2.17	8.28

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

Chief Executive

Director



CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the quarter and nine months period ended 31 March 2012

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Profit after taxation for the period	85,988	197,527	122,311	467,274
Other comprehensive income / (loss)				
Unrealized appreciation / (diminution) during the period on remeasurement of investments classified as 'available for sale'	22,571	(10,783)	(15,826)	(21,126)
Impairment loss on investments classified as 'available for sale'	-	-	19,034	-
Other comprehensive income / (loss) for the period	22,571	(10,783)	3,208	(21,126)
Total comprehensive income for the period	108,559	186,744	125,519	446,148

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


Chief Executive


Director

CONDENSED INTERIM UNCONSOLIDATED
CASH FLOW STATEMENT (UNAUDITED)
For the nine months period ended 31 March 2012

	Note	Nine months period ended	
		31 March 2012	31 March 2011
		(Rupees in '000)	
Cash flows from operating activities			
Cash generated from / (used in) operations	22	411,383	(15,103)
Taxes paid		(97,975)	(187,358)
Finance costs paid		(83,272)	(103,830)
Contribution to gratuity and pension funds		(8,312)	(7,895)
Contribution to Workers' Profit Participation Fund		(25,862)	(28,666)
Infrastructure fee paid		(22,494)	-
Compensated absences paid		(928)	(9)
10-C bonus paid		(862)	(800)
Long term loans and deposits - net		(4,853)	12
Net cash generated from / (used in) operating activities		166,825	(343,649)
Cash flows from investing activities			
Capital expenditure		(59,997)	(33,445)
Acquisition of intangible assets		-	(41)
Proceeds from disposal of operating fixed assets		1,120	6,454
Investments - net		(6,693)	36,491
Dividend income received		45,441	53,802
Interest income received		8,906	3,271
Net cash (outflows) / inflows from investing activities		(11,223)	66,532
Cash flows from financing activities			
Repayments against long term loan		-	(56,250)
Proceeds from disposal of operating fixed assets under sale and leaseback arrangement		4,980	-
Payments against finance lease obligations		(10,356)	-
(Repayments against short term loans) / proceeds from short term loans obtained - net		(74,143)	184,093
Dividends paid		(140,709)	(98,511)
Net cash (outflows) / inflows from financing activities		(220,228)	29,332
Net decrease in cash and cash equivalents		(64,626)	(247,785)
Cash and cash equivalents at beginning of the period		(553,662)	(499,196)
Cash and cash equivalents at end of the period	23	(618,288)	(746,981)

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


Chief Executive


Director



CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the nine months period ended 31 March 2012

	Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Total
		Share premium	Unrealized appreciation / (diminution) on remeasurement of investments classified as 'available for sale' (Rupees in '000)	General reserve	Unappropri- ated (loss) / profit	
Balance as at 1 July 2010	564,600	349,959	11,743	1,842,000	(145,690)	2,622,612
Total comprehensive income for the period						
Profit after taxation for the period ended 31 March 2011	-	-	-	-	467,274	467,274
Other comprehensive loss						
Unrealized diminution during the period on remeasurement of invest- ments classified as 'available for sale'	-	-	(21,126)	-	-	(21,126)
Other comprehensive loss for the period	-	-	(21,126)	-	-	(21,126)
	-	-	(21,126)	-	467,274	446,148
Transaction with owners						
Dividend:						
- Final @ 10% (i.e. Re. 1 per share) for the year ended 30 June 2010	-	-	-	-	(56,460)	(56,460)
- First interim @ 10% (i.e. Re. 1 per share) for the year ended 30 June 2011	-	-	-	-	(56,460)	(56,460)
	-	-	-	-	(112,920)	(112,920)
Balance as at 31 March 2011	564,600	349,959	(9,383)	1,842,000	208,664	2,955,840
Balance as at 1 July 2011	564,600	349,959	3,048	1,842,000	116,719	2,876,326
Total comprehensive income for the period						
Profit after taxation for the period ended 31 March 2012	-	-	-	-	122,311	122,311
Other comprehensive (loss) / income						
Unrealized diminution during the period on remeasurement of invest- ments classified as 'available for sale'	-	-	(15,826)	-	-	(15,826)
Impairment loss on invest- ments classified as 'available for sale'	-	-	19,034	-	-	19,034
Other comprehensive income for the period	-	-	3,208	-	-	3,208
	-	-	3,208	-	122,311	125,519
Transaction with owners						
Dividend:						
- Final @ 15% (i.e. Rs. 1.5 per share) for the year ended 30 June 2011	-	-	-	-	(84,690)	(84,690)
Balance as at 31 March 2012	564,600	349,959	6,256	1,842,000	154,340	2,917,155

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


Chief Executive


Director

NOTES TO THE CONDENSED INTERIM
UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

1. Crescent Steel and Allied Products Limited ('the Company') was incorporated on 1 August 1983 as a public limited company in Pakistan under the Companies Act, 1913 (now the Companies Ordinance, 1984) and is quoted on all stock exchanges of Pakistan. The registered office of the Company is located at 10th floor, BOP Tower, 10-B, Block E-2, Main Boulevard, Gulberg-III, Lahore.

2. **SIGNIFICANT EVENT DURING THE PERIOD**

On 7 January 2012, a major fire broke out in the main production area of the Spinning Unit No.2 (comprising of 25,344 spindles) of the Cotton segment of the Company situated in Jaranwala. This caused severe damage to the entire production area including building, plant & machinery, equipment and work in process. The above assets are fully insured and the company had lodged insurance claim in respect of loss of work in process and damage to building, plant & machinery and equipment. We have received on account payment of Rs. 250 million from the insurance company against the above claim. The claim lodged as stated above is under assessment and verification.

3. **BASIS OF PREPARATION**

3.1 This condensed interim unconsolidated financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. This condensed interim unconsolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual separate financial statements of the Company as at and for the year ended 30 June 2011.

3.2 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.

3.3 The comparative balance sheet presented in this condensed interim unconsolidated financial information has been extracted from the audited annual separate financial statements of the Company for the year ended 30 June 2011, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim unconsolidated financial information for the nine months period ended 31 March 2011.

4. **ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of audited annual separate financial statements of the Company for the preceding year ended 30 June 2011.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

5. **ESTIMATES AND JUDGEMENTS**

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 audited annual separate financial statements of the Company as at and for the year ended 30 June 2011.



NOTES TO THE CONDENSED INTERIM
UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

6. PROPERTY, PLANT AND EQUIPMENT

Following is the cost of operating fixed assets added / transferred and disposed off during the nine months period ended 31 March 2012:

	Nine months period ended 31 March 2012		Nine months period ended 31 March 2011	
	Additions	Disposals	Additions	Disposals
	(Rupees in '000)			
Buildings on freehold land	-	-	510	-
Plant and machinery - owned	49,287	4,880	16,387	3,298
Plant and machinery - leased	5,056	-	-	-
Furniture and fittings	150	-	-	-
Electrical / office equipment and installation	748	5	151	-
Computers	358	-	652	-
Motor vehicles - owned	2,222	1,267	8,777	10,443
Motor vehicles - leased	3,801	-	-	-
	<u>61,622</u>	<u>6,152</u>	<u>26,477</u>	<u>13,741</u>

6.1 As explained in note 2 above, certain item of building, plant & machinery and equipment were severely damaged due to fire in the Spinning Unit No.2 of the Cotton segment of the Company situated in Jaranwala on 7 January 2012. The company is, at present, in the process of quantifying the financial impact of impairment in building, plant & machinery and equipment due to damage referred above. The impairment shall be finalized after conducting an assessment of cost which shall be required to be incurred for repairing / replacing the related assets. Accordingly, in the absence of an estimate of the financial impact of the loss incurred, the impairment in building, plant & machinery and equipment cannot be recognized in this condensed interim unconsolidated financial information.

7. LONG TERM INVESTMENTS

		Unaudited 31 March 2012	Audited 30 June 2011
		(Rupees in '000)	
Subsidiary companies - at cost	7.1	387,110	330,100
Associated companies - at cost	7.2	651,418	651,418
Other long term investments	7.3	178,946	187,259
		<u>1,217,474</u>	<u>1,168,777</u>

7.1 Subsidiary companies - at cost

31 March 2012 (Number of shares)	30 June 2011		Unaudited 31 March 2012	Audited 30 June 2011
			(Rupees in '000)	
33,010,000	33,010,000	Unquoted Shakarganj Energy (Private) Limited (Chief Executive Officer - Mr. Muhammad Saad Thaniana)	7.1.1	330,100
5,701,000	-	CS Capital (Private) Limited (Chief Executive Officer - Mr. Muhammad Saad Thaniana)	7.1.2	-
2	2	Crescent Continental Gas Pipelines Limited (US \$ 1 each)	7.1.3	-
				<u>387,110</u>
				<u>330,100</u>

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7.1.1 This represents the Company's investment in 100% equity shares of Shakarganj Energy (Private) Limited.

7.1.2 This represents the Company's investment in 100% equity shares of CS Capital (Private) Limited. The Company acquired 1,000 ordinary shares of Rs. 10 each in the investee company on 26 September 2011 for a total consideration of Rs. 0.010 million. Further, the Company has also subscribed to right issues made by the investee company aggregating 5.7 million ordinary shares for Rs. 57 million. This includes Rs.7.0 million Share Deposit Money against issue of right shares.

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

7.2 Associated companies - at cost

31 March 2012 (Number of shares)	30 June 2011		Unaudited 31 March 2012	Audited 30 June 2011
			(Rupees in '000)	
60,475,416	60,475,416	Quoted Altern Energy Limited (Chief Executive Officer - Syed Zamanat Abbas)	593,488	593,488
15,244,665	15,244,665	Shakarganj Mills Limited (Chief Executive Officer - Mr. Ahsan M. Saleem)	388,562	388,562
			<u>982,050</u>	<u>982,050</u>
		Less: Provision for impairment	<u>330,632</u>	<u>330,632</u>
			<u>651,418</u>	<u>651,418</u>

7.2.1 The Company holds 17.65% shareholding in Altern Energy Limited and has no common directorship. In the condensed interim consolidated financial information, the investee company has been treated as an associate due to the Group companies' effective holding of over 20%. Consequently, as per the requirements of International Accounting Standard (IAS) 28 'Investments in Associates', the investee company has also been treated as an associate in this condensed interim unconsolidated financial information.

7.2.2 The fair value of investments in associates as at 31 March 2012 is Rs. 591.152 million (30 June 2011: Rs. 646.977 million).

7.3 Other long term investments

		Unaudited 31 March 2012	Audited 30 June 2011
		(Rupees in '000)	
Investments in related parties			
Available for sale	7.3.1	-	-
Others investments			
Available for sale		178,946	178,946
Held to maturity	7.3.2	-	8,313
		<u>178,946</u>	<u>187,259</u>

7.3.1 This includes investment in Crescent Bahuman Limited which is carried at carrying value of Rs. Nil (30 June 2011: Rs. Nil). The break-up value of shares of the investee company is Rs. 1.05 per share, calculated on the basis of audited annual financial statements for the year ended 30 June 2010.

This further includes investment in Crescent Industrial Chemicals Limited which is also carried at carrying value of Rs. Nil for reasons specified in the Company's audited annual separate financial statements for the year ended 30 June 2011.



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7.3.2 This includes investment in Shakarganj Food Products Limited aggregating Rs. 120 million which has been reclassified from 'Investment in related parties at available for sale' as the investee company is not considered to be a related party within the meaning of IAS 24, 'Related Party Disclosure' as at 31 March 2012.

8. STOCK-IN-TRADE

	Unaudited 31 March 2012	Audited 30 June 2011
	(Rupees in '000)	
Raw materials		
Hot rolled steel coils (HR Coil)	15,741	27,080
Coating materials	59,222	44,064
Others	43,664	16,619
Raw cotton	626,163	493,592
Stock-in-transit	7,739	28,577
	<u>752,529</u>	<u>609,932</u>
Work-in-process	28,536	51,481
Finished goods	105,156	174,766
Scrap / cotton waste	8,150	4,392
	<u>141,842</u>	<u>230,639</u>
	<u>894,371</u>	<u>840,571</u>

9. TRADE DEBTS

Secured		
Considered good	108,626	10,243
Unsecured		
Considered good	100,654	134,829
Considered doubtful	1,198	5,561
Provision for doubtful trade debts	(1,198)	(5,561)
	<u>100,654</u>	<u>134,829</u>
	<u>209,280</u>	<u>145,072</u>

10. LOAN AND ADVANCES

Unsecured			
Loan to related party - considered good			
Loan to subsidiary company	10.1	223,000	74,000
Advances - considered good			
Advances to executives		691	300
Suppliers for goods and services		26,066	29,465
Advances - considered doubtful			
Suppliers for goods and services		157	157
Provision for doubtful advances		(157)	(157)
		<u>249,757</u>	<u>103,765</u>

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10.1 The Company has entered into a bridge finance arrangement with its wholly owned subsidiary company Shakarganj Energy (Private) Limited on 15 September 2010. Under the arrangement, the Company shall disburse bridge loan to the subsidiary company in one or more tranches on a short term basis.

The mark-up rate on the said loan is three months KIBOR prevailing on the base rate setting date plus 3% per annum. Mark-up is payable on a quarterly basis. The effective mark-up charged during the period ranged from 14.75% to 16.60% (2011: 16.06% to 16.52%) per annum.

11. INVESTMENTS

	Unaudited 31 March 2012	Audited 30 June 2011
	(Rupees in '000)	
Investments in related parties		
Available for sale	3,574	7,044
Others investments		
Available for sale	89,639	101,995
Held for trading	381,244	381,566
	<u>470,883</u>	<u>483,561</u>
	<u>474,457</u>	<u>490,605</u>

11.1 Investments having an aggregate market value of Rs. 514.047 million (30 June 2011: Rs. 345.335 million) have been pledged with financial institutions as security against financing facilities (see note 15.4) out of which Rs. 157.513 million (30 June 2011: Rs. 248.203 million) relates to long term investments.

12. CURRENT PORTION OF LONG TERM INVESTMENTS

	Unaudited 31 March 2012	Audited 30 June 2011
	(Rupees in '000)	
Preference shares of Shakarganj Mills Limited	29,994	29,994
Term finance certificates of United Bank Limited	8,313	16,625
Dividend receivable on preference shares of Shakarganj Mills Limited	5,106	5,106
	<u>43,413</u>	<u>51,725</u>
Less: Provision for impairment	25,802	27,751
	<u>17,611</u>	<u>23,974</u>

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13. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	Minimum lease payments		Future finance costs		Present value of minimum lease payments	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011	31 March 2012	30 June 2011
	(Rupees in '000)					
Not later than one year	9,964	15,049	2,425	3,062	7,539	11,987
Later than one year and not later than five years	17,480	17,272	1,160	1,910	16,320	15,362
	27,444	32,321	3,585	4,972	23,859	27,349
Less: Current portion shown under current liabilities					7,539	11,987
					16,320	15,362

13.1 The Company has entered into finance lease arrangements with leasing companies for lease of plant and machinery and motor vehicles. The lease term of these arrangements is three years (30 June 2011: three years) and the liability is payable by the year 2015 (30 June 2011: 2014). The periodic lease payments include built-in rates of mark-up ranging between 19.29% to 20.25% (2011: Nil) per annum. Included in the gross present value of minimum lease payments, is a sum aggregating Rs. 16.513 million (30 June 2011: Rs. 20.285 million) which pertains to obligations arising from sale and leaseback of assets.

The Company intends to exercise its options to purchase the leased assets upon completion of the respective lease terms. The Company's obligations under these arrangements are secured by the lessor's title to the leased assets.

14. TRADE AND OTHER PAYABLES

This includes on account payment of Rs. 250 million received from insurance company in respect of insurance claim lodged during the period, as explained in note 2 above.

15. SHORT TERM BORROWINGS

	Unaudited	Audited
	31 March 2012	30 June 2011
	(Rupees in '000)	
Secured from banking companies		
Running finances under mark-up arrangements	648,616	570,179
Short term loans	62,644	136,787
	711,260	706,966

15.1 Short term running finance available from various commercial banks under mark-up arrangements amounted to Rs. 810 million (30 June 2011: Rs. 844 million) out of which Rs. 500 million (30 June 2011: Rs. 500 million) is interchangeable with Term Finance / Demand Finance and letters of credit. During the period, the mark-up on such arrangements ranged between 13.13% to 16.56% (2011: 13.44% to 16.46%) per annum.

15.2 Short term loan financing available from various commercial banks under mark-up arrangements amounted to Rs. 1,100 million (30 June 2011: Rs. 1,000 million) out of which Rs. 300 million (30 June 2011: Rs. 300 million) is interchangeable with letters of credit. During the period, the mark-up on such arrangements ranged between 14.17% to 16.56% (2011: 15.26% to 16.62%) per annum.

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15.3 The facilities for opening letters of credit amounted to Rs. 1,650 million (30 June 2011: Rs. 1,650 million) out of which Rs. 500 million (30 June 2011: Rs. 500 million), Rs. 300 million (30 June 2011: Rs. 300 million) and Rs. Nil (30 June 2011: Rs. 150 million) are interchangeable with short term running finance, short term loans and letters of guarantee respectively as mentioned in notes 15.1 and 15.2 above. The facility for letters of guarantee as at 31 March 2012 amounted to Rs. 560 million (30 June 2011: Rs. 500 million). Amounts unutilized for letters of credit and guarantees as at 31 March 2012 were Rs. 1,055,554 million and Rs. 276,452 million (30 June 2011: Rs. 999,895 million and Rs. 224,419 million) respectively.

15.4 The above facilities are secured by way of 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.

16. CONTINGENCIES AND COMMITMENTS

16.1 There is no change in the status of contingencies set out in note 13 to the Company's audited annual separate financial statements for the year ended 30 June 2011, except as set out in note 16.2 below.

16.2 Aggregate amount of guarantees issued by banks on behalf of the Company against various contracts aggregated Rs. 283.548 million (30 June 2011: Rs. 275.581 million).

16.3 Commitments in respect of capital expenditure contracted for as at 31 March 2012 amounted to Rs. 19.164 million (30 June 2011: Rs. 19.164 million), payable over the period of three years in 15 quarterly installments representing office premises located in Islamabad.

16.4 Commitments under letters of credit as at 31 March 2012 amounted to Rs. 63.474 million (30 June 2011: Rs. 41.335 million).

16.5 Commitment in respect of future purchase of shares amounted to Rs. Nil (30 June 2011: Rs. 30.980 million).

17. SALES - NET

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Local sales				
Bare pipes (own product excluding coating revenue)	39,389	163,822	619,089	662,343
Revenue from conversion	2,294	4,689	7,970	7,084
Coating of pipes	164,214	93,976	426,676	270,457
Cotton yarn / raw cotton	446,985	1,053,498	1,895,909	2,368,305
Others (including pipes laboratory testing)	10,282	3,372	41,254	22,262
Scrap / waste	22,154	48,095	85,818	113,584
Sales returns	(1,302)	(46,121)	(11,397)	(64,014)
	684,016	1,321,331	3,065,319	3,380,021
Export sales				
Cotton yarn / raw cotton	54,013	-	161,253	-
Cotton waste	-	14,300	-	14,300
	54,013	14,300	161,253	14,300
	738,029	1,335,631	3,226,572	3,394,321
Sales tax and special excise duty	(29,484)	(7,865)	(149,030)	(55,503)
	708,545	1,327,766	3,077,542	3,338,818



Crescent Steel &
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18. INCOME FROM INVESTMENTS

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Return on term finance certificates	248	517	1,036	1,582
Dividend income	12,597	12,628	56,919	59,548
Gain / (loss) on sale of investments - net	3,783	44,468	(1,368)	76,732
Unrealized gain / (loss) on held for trading investments - net	35,083	(32,777)	2,667	20,050
Rent from investment property	2,577	2,137	7,650	6,645
	<u>54,288</u>	<u>26,973</u>	<u>66,904</u>	<u>164,557</u>

18.1 Direct operating expenses incurred against rental income from investment property amounted to Rs. 2.891 million (2011: Rs. 1.806 million). Further, Rs. 0.908 million (2011: Rs. 2.149 million) were incurred against non rented out area.

19. OTHER OPERATING EXPENSES

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Exchange loss	1,495	170	20,135	4,946
Provision for slow moving stores, spares and loose tools	-	-	2,320	11,637
Provision for stock-in-trade	-	-	-	1,115
Provision for doubtful trade debts	-	-	-	8,460
Provision for doubtful advances	-	45	-	45
Provision for Workers' Welfare Fund	1,812	5,671	5,019	13,929
Provision for Workers' Profit Participation Fund	2,252	13,715	11,165	28,234
Provision for diminution in the value of investments - net	-	-	17,084	5,654
	<u>5,559</u>	<u>19,601</u>	<u>55,723</u>	<u>74,020</u>

20. FINANCE COSTS

Incurring on				
- finance lease obligations	922	-	3,070	-
- long term loan	-	-	-	1,703
- running finances / short term loans	26,174	38,641	78,325	104,033
- Workers' Profit Participation Fund	-	-	563	-
Bank charges	461	317	2,695	1,323
	<u>27,557</u>	<u>38,958</u>	<u>84,653</u>	<u>107,059</u>

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21. BASIC AND DILUTED EARNINGS PER SHARE

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Profit after taxation for the period	85,988	197,527	122,311	467,274
	(Number of shares)		(Number of shares)	
Average number of ordinary shares in issue during the period	56,459,993	56,459,993	56,459,993	56,459,993
	(Rupees)		(Rupees)	
Basic and diluted earnings per share	1.52	3.50	2.17	8.28

22. CASH GENERATED FROM / (USED IN) OPERATIONS

	Nine months period ended	
	31 March 2012	31 March 2011
	(Rupees in '000)	
Profit before taxation for the period	189,359	655,319
Adjustments for non cash charges and other items		
Depreciation on operating fixed assets and investment property	105,759	120,234
Amortization of intangible assets	8,526	8,662
Charge for the period on staff retirement benefit funds	8,312	12,377
Charge for compensated absences	1,855	511
Provision for 10-C bonus	-	3,717
Amortization of advances to staff	62	147
Amortization of initial transaction costs	-	107
Dividend income	(56,919)	(59,548)
Unrealized gain on held for trading investments - net	(2,667)	(20,050)
Loss / (gain) on sale of investments - net	1,368	(76,732)
Provision for stock-in-trade and stores, spares and loose tools - net	2,320	12,728
(Reversal of provision) / provision for doubtful trade debts - net	(4,363)	8,460
Provision for doubtful advance	-	45
Provision for Workers' Welfare Fund	5,019	13,929
Provision for Workers' Profit Participation Fund	11,165	28,234
Reversal of provision for liquidated damages	-	(2,782)
Provision for diminution in the value of investments - net	17,083	5,654
Return on deposits, loan and investments	(14,812)	(6,837)
Gain on disposal of operating fixed assets	(626)	(3,612)
Liabilities written back	(674)	-
Finance costs	84,653	107,059
Working capital changes	22.1	55,963
	<u>411,383</u>	<u>(15,103)</u>



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22.1 Working capital changes

	Nine months period ended	
	31 March 2012	31 March 2011
	(Rupees in '000)	
(Increase) / decrease in current assets		
Stores, spares and loose tools	(8,053)	(26,699)
Stock-in-trade	(49,192)	(388,932)
Trade debts	(59,845)	83,775
Loan and advances	(145,992)	(90,656)
Trade deposits and short term prepayments	(784)	(2,375)
Other receivables	(57,974)	(20,371)
	<u>(321,840)</u>	<u>(445,258)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	377,803	(377,467)
	<u>55,963</u>	<u>(822,725)</u>

23. CASH AND CASH EQUIVALENTS

Running finances under mark-up arrangements	(648,616)	(780,136)
Cash and bank balances	30,328	33,155
	<u>(618,288)</u>	<u>(746,981)</u>

24. SEGMENT REPORTING

24.1 Reportable segments

The Company's reportable segments under International Financial Reporting Standard 8 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 property (held for rentals as well as long term appreciation).

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

24.2 Segment revenues and results

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

For the nine months period ended 31 March 2012	Steel segment	Cotton segment	IID segment	Total
	(Rupees in '000)			
Sales - net	955,006	2,122,536	-	3,077,542
Cost of sales	630,403	2,054,783	-	2,685,186
Gross profit	324,603	67,753	-	392,356
Income from investments	-	-	66,904	66,904
	324,603	67,753	66,904	459,260
Distribution and selling expenses	9,095	23,410	-	32,505
Administrative expenses	77,816	29,211	11,662	118,689
Other operating expenses	35,547	1,892	18,284	55,723
	122,458	54,513	29,946	206,917
	202,145	13,240	36,958	252,343
Other operating income	9,277	4,101	8,291	21,669
Operating profit before finance costs	211,422	17,341	45,249	274,012
Finance costs	3,161	70,494	10,998	84,653
Profit / (loss) before taxation	208,261	(53,153)	34,251	189,359
Taxation				67,048
Profit after taxation				122,311
For the nine months period ended 31 March 2011				
Sales - net	920,242	2,418,576	-	3,338,818
Cost of sales	666,510	1,887,272	-	2,553,782
Gross profit	253,732	531,304	-	785,036
Income from investments	-	-	164,557	164,557
	253,732	531,304	164,557	949,593
Distribution and selling expenses	10,516	19,082	-	29,598
Administrative expenses	67,741	39,570	11,934	119,245
Other operating expenses	32,755	34,362	6,903	74,020
	111,012	93,014	18,837	222,863
	142,720	438,290	145,720	726,730
Other operating income	13,216	22,432	-	35,648
Operating profit before finance costs	155,936	460,722	145,720	762,378
Finance costs	3,348	89,538	14,173	107,059
Profit before taxation	152,588	371,184	131,547	655,319
Taxation				188,045
Profit after taxation				467,274



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24.2.1 Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the period (2011: Nil).

24.2.2 The accounting policies of the reportable segments are the same as the Company's accounting policies as disclosed in the audited annual separate financial statements of the Company for the preceding year ended 30 June 2011. The Steel segment allocates certain percentage of the common expenditure to the Cotton and IID segments. In addition, financial charges between Steel and Cotton segments are allocated at average mark-up rate on the basis of funds utilized. This is the measure reported to management for the purposes of resource allocation and assessment of segment performance.

24.3 Revenue from major products and services

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

24.4 Information about major customers

Revenue from major customers of Steel segment represents an aggregate amount of Rs. 741.434 million (2011: Rs. 837.782 million) of total Steel segment revenue of Rs. 955.006 million (2011: Rs. 920.242 million). Further, revenue from major customers of Cotton segment represents an aggregate amount of Rs. 418.160 million (2011: Rs. 560.336 million) of total Cotton segment revenue of Rs. 2,122.536 million (2011: Rs. 2,418.576 million).

24.5 Geographical information

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

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Pakistan	654,532	1,313,466	2,916,289	3,324,518
Far East	54,013	-	161,253	-
Europe	-	14,300	-	14,300
	<u>708,545</u>	<u>1,327,766</u>	<u>3,077,542</u>	<u>3,338,818</u>

24.5.2 All non-current assets of the Company as at 31 March 2012 and 30 June 2011 were located and operated in Pakistan.

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24.6 Segment assets and liabilities

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

	Steel segment	Cotton segment	IID segment	Total
	(Rupees in '000)			
As at 31 March 2012				
Segment assets for reportable segments	715,516	1,708,825	1,871,605	4,295,946
Unallocated corporate assets				83,923
Total assets as per balance sheet				<u>4,379,869</u>
Segment liabilities for reportable segments	167,025	474,807	2,589	644,421
Unallocated corporate liabilities				818,293
Total liabilities as per balance sheet				<u>1,462,714</u>
As at 30 June 2011				
Segment assets for reportable segments	568,387	1,626,917	1,867,006	4,062,310
Unallocated corporate assets				(7,439)
Total assets as per balance sheet				<u>4,054,871</u>
Segment liabilities for reportable segments	149,065	146,966	4,449	300,480
Unallocated corporate liabilities				878,065
Total liabilities as per balance sheet				<u>1,178,545</u>

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

- all assets are allocated to reportable segments other than those directly relating to corporate and taxation assets; and
- all liabilities are allocated to reportable segments other than 'trade and other payables' directly relating to corporate, 'short term borrowings', 'mark-up accrued' and liabilities relating to current and deferred taxation.

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



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24.7 Other segment information

	Steel segment	Cotton segment	IID segment	Total
	(Rupees in '000)			
For the nine months period ended 31 March 2012				
Capital expenditure	5,283	53,276	35	58,594
Depreciation and amortization	28,172	82,176	3,999	114,347
Non-cash items other than depreciation and amortization - net	20,021	69,575	(37,882)	51,714
For the nine months period ended 31 March 2011				
Capital expenditure	2,620	22,471	-	25,091
Depreciation and amortization	26,608	98,643	3,899	129,150
Non-cash items other than depreciation and amortization - net	31,864	127,750	(136,461)	23,153

25. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary 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.

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

Name of entity	Nature of relationship	Nature of transaction	Nine months period ended	
			31 March 2012	31 March 2011
(Rupees in '000)				
Crescent Jute Products Limited *	Related party	Services received	-	483
		Services rendered	-	1,130
Crescent Sugar Mills & Distillery Limited *	Related party	Dividend paid	-	668
Muhammad Amin Muhammad Bashir Limited **	Related party	Dividend paid	1	1
Premier Insurance Company **	Related party	Dividend paid	100	40
		Insurance premium	1,298	706
Shakarganj Energy (Private) Limited	Subsidiary company	Short term loan provided	149,000	50,000
		Mark-up on short term loan	12,131	4,096
		Sales of finished goods	-	2,727

NOTES TO THE CONDENSED INTERIM
UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

Name of entity	Nature of relationship	Nature of transaction	Nine months period ended	
			31 March 2012	31 March 2011
(Rupees in '000)				
CS Capital (Private) Limited	Subsidiary company	Right shares subscribed	50,000	-
		Share deposit money	7,000	-
Shakarganj Food Products Limited **	Related party	Rental income	832	-
Shakarganj Mills Limited	Associated company	Dividend paid	6,120	2,007
		Sales of finished goods	16,671	1,761
		Services received	31	3,694
		Services rendered	1,014	1,080
The Citizens' Foundation **	Related party	Donation given	9,524	15,465
The Crescent Textile Mills Limited **	Related party	Dividend paid	13,972	5,589
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	2,960	1,300
		Dividend paid	11	4
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	2,419	2,211
		Dividend paid	1,111	342
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	6,086	5,495
		Dividend paid	2,336	554
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	3,365	4,462
		Dividend paid	1,000	393
Key management personnel	Related parties	Remuneration and benefits	39,869	31,350

* These entities have been related parties of the Company by virtue of common directorship only. The Company no longer has significant influence over these entities as at 31 March 2012.

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



Crescent Steel &
Allied Products Ltd.

NOTES TO THE CONDENSED INTERIM
UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

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

26. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2011.

27. NON ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors in their meeting held on 30 April 2012 has declared first interim cash dividend of Re. 1 (i.e. 10%), amounting to Rs. 56.460 million. This condensed interim unconsolidated financial information does not reflect this proposed issue.

28. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim unconsolidated financial information was authorized for issue in the Board of Directors meeting held on 30 April 2012.


Chief Executive


Director

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2012



Crescent Steel &
Allied Products Ltd.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED)

As at 31 March 2012

Note	Unaudited 31 March 2012 (Rupees in '000)	Audited 30 June 2011 (Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	6	1,399,155	1,431,179
Intangible assets		4,439	12,964
Investment property		36,783	40,234
Investment in equity accounted investees	7	1,710,623	1,498,023
Other long term investments	8	220,717	189,030
Long term loans and deposits		20,139	15,348
		3,391,856	3,186,778
Current assets			
Stores, spares and loose tools		71,950	66,217
Stock-in-trade	9	894,371	840,571
Trade debts	10	209,280	145,072
Advances	11	26,757	29,765
Trade deposits and short term prepayments		6,988	6,074
Investments	12	488,941	490,605
Current portion of long term investments	13	8,313	16,625
Mark-up accrued on term finance certificates		100	820
Other receivables		103,594	62,283
Taxation - net		62,257	41,415
Cash and bank balances		36,700	19,000
		1,909,251	1,718,447
Total assets		5,301,107	4,905,225
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
100,000,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital		564,600	564,600
Capital reserves		381,487	325,764
Revenue reserves		2,889,789	2,710,952
		3,835,876	3,601,316
Non-current liabilities			
Long term loan		-	115,000
Liabilities against assets subject to finance lease	14	16,320	15,362
Deferred taxation		53,650	50,357
		69,970	180,719
Current liabilities			
Trade and other payables	15	651,346	377,995
Mark-up accrued		25,116	26,242
Short term borrowings	16	711,260	706,966
Current portion of liabilities against assets subject to finance lease	14	7,539	11,987
		1,395,261	1,123,190
Contingencies and commitments	17		
Total equity and liabilities		5,301,107	4,905,225

The annexed notes from 1 to 29 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the quarter and nine months period ended 31 March 2012

Note	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011 (Rupees in '000)	31 March 2012	31 March 2011
Sales - net	18	708,545	1,327,766	3,077,542
Cost of sales		580,655	989,194	2,551,368
Gross profit		127,890	338,572	784,750
Income from investments	19	55,856	26,973	67,390
		183,746	365,545	459,746
Distribution and selling expenses		10,480	11,800	32,505
Administrative expenses		34,606	37,708	124,175
Other operating expenses	20	5,559	19,603	57,673
		50,645	69,111	214,353
		133,101	296,434	731,677
Other operating income		2,311	20,574	9,760
Operating profit before finance costs		135,412	317,008	255,153
Finance costs	21	27,558	38,975	84,663
Share of profit in equity accounted investees - net of taxation		58,309	48,388	160,085
Profit before taxation		166,163	326,421	330,575
Taxation - current		26,403	89,020	67,328
- prior		-	-	(3,572)
- deferred		(191)	(6,564)	3,292
		26,212	82,456	67,048
Profit after taxation for the period		139,951	243,965	263,527
			(Rupees)	
Basic and diluted earnings per share	22	2.48	4.32	4.67
				11.08

The annexed notes from 1 to 29 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director



CONDENSED INTERIM CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the quarter and nine months period ended 31 March 2012

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Profit after taxation for the period	139,951	243,965	263,527	625,384
Other comprehensive income				
Unrealized appreciation / (diminution) during the period on remeasurement of investments classified as 'available for sale'	22,571	(10,783)	(15,826)	(21,126)
Proportionate share of other comprehensive income of equity accounted investees	-	19,754	52,515	35,927
Impairment loss on investments classified as 'available for sale'	-	-	19,034	-
Other comprehensive income for the period	22,571	8,971	55,723	14,801
Total comprehensive income for the period	162,522	252,936	319,250	640,185

The annexed notes from 1 to 29 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

CONDENSED INTERIM CONSOLIDATED
CASH FLOW STATEMENT (UNAUDITED)
For the nine months period ended 31 March 2012

	Note	Nine months period ended	
		31 March 2012	31 March 2011
		(Rupees in '000)	
Cash flows from operating activities			
Cash generated from operations	23	544,006	186,270
Taxes paid		(98,007)	(187,525)
Finance costs paid		(77,776)	(103,853)
Contribution to gratuity and pension funds		(8,312)	(7,895)
Contribution to Workers' Profit Participation Fund		(25,862)	(28,666)
Infrastructure fee paid		(22,494)	-
Compensated absences paid		(928)	(9)
10-C bonus paid		(862)	(800)
Long term loans and deposits - net		(4,853)	12
Net cash generated from / (used in) operating activities		304,912	(142,466)
Cash flows from investing activities			
Capital expenditure		(76,905)	(239,618)
Acquisition of intangible assets		-	(41)
Proceeds from disposal of operating fixed assets		1,120	6,454
Investments - net		(3,857)	36,491
Dividend income received		45,600	53,802
Interest income received		3,621	4,908
Net cash (outflows) from investing activities		(30,421)	(138,004)
Cash flows from financing activities			
Repayments against long term loan		(115,000)	(56,250)
Proceeds from disposal of operating fixed assets under sale and leaseback arrangement		4,980	-
Payments against finance lease obligations		(10,356)	-
(Repayments against short term loans) / proceeds from short term loans obtained - net		(74,143)	184,093
Dividends paid		(140,709)	(98,511)
Net cash (outflows) / inflows from financing activities		(335,228)	29,332
Net decrease in cash and cash equivalents		(60,737)	(251,138)
Cash and cash equivalents at beginning of the period		(551,179)	(470,218)
Cash and cash equivalents at end of the period	24	(611,916)	(721,356)

The annexed notes from 1 to 29 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director



**CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**
For the nine months period ended 31 March 2012

	Issued, subscribed and paid-up capital	Share premium	Capital reserves		Revenue reserves		Total
			Unrealized appreciation / (diminution) on remeasurement of investments classified as 'available for sale'	Others*	General reserve	Unappropri- ated profit /(loss)	
(Rupees in '000)							
Balance as at 1 July 2010	564,600	349,959	11,743	(87,636)	1,842,000	398,513	3,079,179
Total comprehensive income for the period							
Profit after taxation for the period ended 31 March 2011	-	-	-	-	-	625,384	625,384
Other comprehensive (loss) / income							
Unrealized diminution during the period on remeasurement of investments classified as 'available for sale'	-	-	(21,126)	-	-	-	(21,126)
Proportionate share of other comprehensive income of equity accounted investees	-	-	-	35,927	-	-	35,927
Other comprehensive (loss) / income for the period	-	-	(21,126)	35,927	-	-	14,801
	-	-	(21,126)	35,927	-	625,384	640,185
Transaction with owners							
Dividend:							
- Final @ 10% (i.e. Re. 1 per share) for the year ended 30 June 2010	-	-	-	-	-	(56,460)	(56,460)
- First interim @ 10% (i.e. Re. 1 per share) for the year ended 30 June 2011	-	-	-	-	-	(56,460)	(56,460)
	-	-	-	-	-	(112,920)	(112,920)
Balance as at 31 March 2011	564,600	349,959	(9,383)	(51,709)	1,842,000	910,977	3,606,444
Balance as at 1 July 2011	564,600	349,959	3,048	(27,243)	1,842,000	868,952	3,601,316
Total comprehensive income for the period							
Profit after taxation for the period ended 31 March 2012	-	-	-	-	-	263,527	263,527
Other comprehensive income							
Unrealized diminution during the period on remeasurement of investments classified as 'available for sale'	-	-	(15,826)	-	-	-	(15,826)
Proportionate share of other comprehensive income of equity accounted investees	-	-	-	52,515	-	-	52,515
Impairment loss on investments classified as 'available for sale'	-	-	19,034	-	-	-	19,034
Other comprehensive income for the period	-	-	3,208	52,515	-	-	55,723
	-	-	3,208	52,515	-	263,527	319,250
Transaction with owners							
Dividend:							
- Final @ 15% (i.e. Rs. 1.5 per share) for the year ended 30 June 2011	-	-	-	-	-	(84,690)	(84,690)
Balance as at 31 March 2012	564,600	349,959	6,256	25,272	1,842,000	1,047,789	3,835,876

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

The annexed notes from 1 to 29 form an integral part of this condensed interim consolidated financial information.

Munir
Chief Executive

Zahid
Director

**NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)**
For the nine months period ended 31 March 2012

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 Shakarganj Energy (Private) Limited, CS Capital (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 Companies Act, 1913 (now Companies Ordinance, 1984) and is quoted on all stock exchanges of Pakistan. The registered office of the Holding Company is located at 10th floor, BOP Tower, 10-B, Block E-2, Main Boulevard, Gulberg-III, Lahore.
- 1.3 Shakarganj Energy (Private) Limited (SEL) was incorporated on 2 April 2008 as a private limited company in Pakistan under the Companies Ordinance, 1984. The Holding Company acquired this subsidiary on 4 January 2010. The principal activity of SEL will be 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 Companies Ordinance, 1984. The Holding Company acquired this subsidiary on 26 September 2011. The principal activity of this company will be to effectively manage investment portfolios in shares, commodities and other securities (strategic as well as short term).
- 1.5 Crescent Continental Gas Pipelines Limited is not carrying on any business operations.

- 1.6 Details regarding the Group's associates are given in note 7 to this condensed interim consolidated financial information.

2. SIGNIFICANT EVENT DURING THE PERIOD

On 7 January 2012, a major fire broke out in the main production area of the Spinning Unit No.2 (comprising of 25,344 spindles) of the Cotton segment of the Company situated in Jaranwala. This caused severe damage to the entire production area including building, plant & machinery, equipment and work in process. The above assets are fully insured and the company had lodged insurance claim in respect of loss of work in process and damage to building, plant & machinery and equipment. We have received on account payment of Rs. 250 million from the insurance company against the above claim. The claim lodged as stated above is under assessment and verification.

3. BASIS OF PREPARATION

- 3.1 This condensed interim consolidated financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. This condensed interim consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2011.
- 3.2 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.
- 3.3 The comparative balance sheet presented in this condensed interim consolidated financial information has been extracted from the audited annual consolidated financial statements of the Group for the year ended 30 June 2011, whereas the comparative condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity are stated from the unaudited condensed interim consolidated financial information for the nine months period ended 31 March 2011.



NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

4. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2011.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Group's operations and did not have any impact on the accounting policies of the Group.

5. ESTIMATES AND JUDGEMENTS

Estimates and judgements made by management in the preparation of this condensed interim consolidated financial information were the same as those that were applied to the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2012.

6. PROPERTY, PLANT AND EQUIPMENT

Following is the cost of operating fixed assets added / transferred and disposed off during the nine months period ended 31 March 2012:

	Nine months period ended 31 March 2012		Nine months period ended 31 March 2011	
	Additions	Disposals	Additions	Disposals
	(Rupees in '000)			
Buildings on freehold land	-	-	510	-
Plant and machinery - owned	49,287	4,880	16,387	3,298
Plant and machinery - leased	5,056	-	-	-
Furniture and fittings	150	-	-	-
Electrical / office equipment and installation	748	5	151	-
Computers	358	-	652	-
Motor vehicles - owned	2,222	1,267	8,777	10,443
Motor vehicles - leased	3,801	-	-	-
	<u>61,622</u>	<u>6,152</u>	<u>26,477</u>	<u>13,741</u>

6.1 As explained in note 2 above, certain item of building, plant & machinery and equipment were severely damaged due to fire in the Spinning Unit No.2 of the Cotton segment of the Company situated in Jaranwala on 7 January 2012. The company is, at present, in the process of quantifying the financial impact of impairment in building, plant & machinery and equipment due to damage referred above. The impairment shall be finalized after conducting an assessment of cost which shall be required to be incurred for repairing / replacing the related assets. Accordingly, in the absence of an estimate of the financial impact of the loss incurred, the impairment in building, plant & machinery and equipment cannot be recognized in this condensed interim consolidated financial information.

7. 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 International Accounting Standard (IAS) 28, 'Investments in Associates'.

31 March 2012	30 June 2011			Unaudited 31 March 2012	Audited 30 June 2011
(Number of shares)				(Rupees in '000)	
		Quoted			
69,175,416	69,175,416	Altern Energy Limited (Chief Executive Officer - Syed Zamanat Abbas)	7.1	1,710,623	1,498,023
15,244,665	15,244,665	Shakarganj Mills Limited (Chief Executive Officer - Mr. Ahsan M. Saleem)	7.2	-	-
				<u>1,710,623</u>	<u>1,498,023</u>

NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

7.1 The Holding Company and SEL hold 17.65% and 2.54% shareholding in Altern Energy Limited respectively and have no common directorship. The Group has an effective holding of 20.19% in the investee company and accordingly has been treated as an associate and accounted for under the equity method.

7.2 As at 31 March 2012 and 30 June 2011, the carrying amount of equity accounted investment in Shakarganj Mills Limited has been reduced to Nil due to recognition of the Group's share of losses incurred by the investee company. The Group has already further recognized its share of losses against the carrying amount in respect of preference shares of the investee company held by the Group and dividend receivable thereon as more fully explained in notes 17.2 and 26.1 to the audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2011.

The Group has discontinued any further recognition of its share of losses of the investee company. The unrecognized share of net losses for the period amounted to Rs. 78.818 million (2011: Rs. 37.237 million) and cumulatively share of net losses as at 31 March 2012 amounted to Rs. 172.619 million (30 June 2011: Rs. 93.801 million). Included in the unrecognized share of net losses for the period, is an amount aggregating Rs. Nil million (2011: Rs. Nil) representing the Group's share of net loss from discontinued operations of the investee company.

7.3 The above figures are based on financial statements of these companies as at 30 June 2011.

7.4 The fair value of investments in associates as at 31 March 2012 is Rs. 554.248 million (30 June 2011: Rs. 726.147 million).

8. OTHER LONG TERM INVESTMENTS

		Unaudited 31 March 2012	Audited 30 June 2011
(Rupees in '000)			
Investments in related parties			
Available for sale	8.1	160,000	-
Other investments			
Available for sale	8.2	60,717	180,717
Held to maturity		-	8,313
		<u>220,717</u>	<u>189,030</u>

8.1 This includes investment in Crescent Bahuman Limited which is carried at carrying value of Rs. Nil (30 June 2011: Rs. Nil). The break-up value of shares of the investee company is Rs. 1.05 per share, calculated on the basis of audited annual financial statements for the year ended 30 June 2010.

This further includes investment in Crescent Industrial Chemicals Limited which is also carried at carrying value of Rs. Nil for reasons specified in the Group's audited annual consolidated financial statements for the year ended 30 June 2011.

8.2 This includes investment in Shakarganj Food Products Limited aggregating Rs.160 million which has been reclassified from 'Investments in related parties at available for sale' as the investee company is not considered to be a related party of the Group within the meaning of IAS 24, 'Related Party Disclosure' as at 31 March 2012.



Crescent Steel &
Allied Products Ltd.

NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

9. STOCK-IN-TRADE

	Unaudited 31 March 2012	Audited 30 June 2011
	(Rupees in '000)	
Raw materials		
Hot rolled steel coils (HR Coil)	15,741	27,080
Coating materials	59,222	44,064
Others	43,664	16,619
Raw cotton	626,163	493,592
Stock-in-transit	7,739	28,577
	<u>752,529</u>	<u>609,932</u>
Work-in-process	28,536	51,481
Finished goods	105,156	174,766
Scrap / cotton waste	8,150	4,392
	<u>141,842</u>	<u>230,639</u>
	<u>894,371</u>	<u>840,571</u>

10. TRADE DEBTS

Secured		
Considered good	108,626	10,243
Unsecured		
Considered good	100,654	134,829
Considered doubtful	1,198	5,561
Provision for doubtful trade debts	(1,198)	(5,561)
	<u>100,654</u>	<u>134,829</u>
	<u>209,280</u>	<u>145,072</u>

11. ADVANCES

Unsecured - Considered good		
Advances to executives	691	300
Suppliers for goods and services	26,066	29,465
Unsecured - Considered doubtful		
Suppliers for goods and services	157	157
Provision for doubtful advances	(157)	(157)
	<u>-</u>	<u>-</u>
	<u>26,757</u>	<u>29,765</u>

12. INVESTMENTS

Investments in related parties		
Available for sale	3,574	7,044
Other investments		
Available for sale	89,639	101,995
Held for trading	395,728	381,566
	<u>485,367</u>	<u>483,561</u>
	<u>488,941</u>	<u>490,605</u>

NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
For the nine months period ended 31 March 2012

12.1 Investments having an aggregate market value of Rs. 514.047 million (30 June 2011: Rs. 345.335 million) have been pledged with financial institutions as security against financing facilities (see note 16.4) out of which Rs. 157.513 million (30 June 2011: Rs. 248.203 million) relates to long term investments.

13. CURRENT PORTION OF LONG TERM INVESTMENTS

	Unaudited 31 March 2012	Audited 30 June 2011
	(Rupees in '000)	
Preference shares of Shakarganj Mills Limited	29,994	29,994
Term finance certificates of United Bank Limited	8,313	16,625
Dividend receivable on preference shares of Shakarganj Mills Limited	5,106	5,106
	<u>43,413</u>	<u>51,725</u>
Less: Share of loss on Shakarganj Mills Limited attributed to preference shares and dividend receivable thereon	13.1	35,100
	<u>8,313</u>	<u>16,625</u>

13.1 The Group's share of unadjusted loss on equity accounted investment in Shakarganj Mills Limited has been allocated to the preference shares and dividend receivable thereon in accordance with the requirements of IAS 28, 'Investments in Associates' (see note 7.2).

14. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	Minimum lease payments		Future finance costs		Present value of minimum lease payments	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011	31 March 2012	30 June 2011
	(Rupees in '000)					
Not later than one year	9,964	15,049	2,425	3,062	7,539	11,987
Later than one year and not later than five years	17,480	17,272	1,160	1,910	16,320	15,362
	<u>27,444</u>	<u>32,321</u>	<u>3,585</u>	<u>4,972</u>	<u>23,859</u>	<u>27,349</u>
Less: Current portion shown under current liabilities					7,539	11,987
					<u>16,320</u>	<u>15,362</u>

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- 14.1 The Holding Company has entered into finance lease arrangements with leasing companies for lease of plant and machinery and motor vehicles. The lease term of these arrangements is three years (30 June 2011: three years) and the liability is payable by the year 2015. The periodic lease payments include built-in rates of mark-up ranging between 19.29% to 20.25% (2010: Nil) per annum. Included in the gross present value of minimum lease payments, is a sum aggregating Rs. 19,577 million (30 June 2011: Rs. 20,285 million) which pertains to obligations arising from sale and leaseback of assets.

The Holding Company intends to exercise its options to purchase the leased assets upon completion of the respective lease terms. The Holding Company's obligations under these arrangements are secured by the lessor's title to the leased assets.

15. TRADE AND OTHER PAYABLES

This includes on account payment of Rs. 250 million received from insurance company in respect of insurance claim lodged during the period, as explained in note 2 above.

16. SHORT TERM BORROWINGS

	Unaudited 31 March 2012	Audited 30 June 2011
	(Rupees in '000)	
Secured from banking companies		
Running finances under mark-up arrangements	648,616	570,179
Short term loans	62,644	136,787
	<u>711,260</u>	<u>706,966</u>

- 16.1 Short term running finance available from various commercial banks under mark-up arrangements amounted to Rs. 810 million (30 June 2011: Rs. 844 million) out of which Rs. 500 million (30 June 2011: Rs. 500 million) is interchangeable with Term Finance / Demand Finance and letters of credit. During the period, the mark-up on such arrangements ranged between 13.13% to 16.56% (2011: 13.44% to 16.46%) per annum.
- 16.2 Short term loan financing available from various commercial banks under mark-up arrangements amounted to Rs. 1,100 million (30 June 2011: Rs. 1,000 million) out of which Rs. 300 million (30 June 2011: Rs. 300 million) is interchangeable with letters of credit. During the period, the mark-up on such arrangements ranged between 14.17% to 16.56% (2011: 15.26% to 16.62%) per annum.
- 16.3 The facilities for opening letters of credit amounted to Rs. 1,650 million (30 June 2011: Rs. 1,650 million) out of which Rs. 500 million (30 June 2011: Rs. 500 million), Rs. 300 million (30 June 2011: Rs. 300 million) and Rs. Nil (30 June 2011: Rs. 150 million) are interchangeable with short term running finance, short term loans and letters of guarantee respectively as mentioned in notes 16.1 and 16.2 above. The facility for letters of guarantee as at 31 March 2012 amounted to Rs. 560 million (30 June 2011: Rs. 500 million) which is interchangeable with letters of credit as stated above. Amounts unutilized for letters of credit and guarantees as at 31 March 2012 were Rs. 1,055,554 million and Rs. 276,452 million (30 June 2011: Rs. 999,895 million and Rs. 224,419 million) respectively.
- 16.4 The above facilities are secured by way of 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.
- 17. CONTINGENCIES AND COMMITMENTS**
- 17.1 There is no change in the status of contingencies set out in note 13 to the Group's audited annual consolidated financial statements for the year ended 30 June 2011, except as set out in note 17.2 below.

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- 17.2 Aggregate amount of guarantees issued by banks on behalf of the Group against various contracts aggregated Rs. 283,548 million (30 June 2011: Rs. 275,581 million).
- 17.3 Commitments in respect of capital expenditure contracted for by the Group as at 31 March 2012 amounted to Rs. 36,031 million (30 June 2011: Rs. 218,432 million). This represents / includes an amount of Rs. 19,164 million (30 June 2011: Rs. 19,164 million) payable by the Holding Company over the period of three years in 15 quarterly installments representing office premises located in Islamabad. This also includes commitments contracted for by SEL aggregating Rs. 16,867 million (30 June 2011: Rs. 199,268 million) in respect of capital expenditure to acquire plant and machinery.
- 17.4 Commitments under letters of credit as at 31 March 2012 amounted to Rs. 63,474 million (30 June 2011: Rs. 41,335 million).
- 17.5 Commitment in respect of future purchase of shares amounted to Rs. Nil (30 June 2011: Rs. 30,980 million).

18. SALES - NET

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Local sales				
Bare pipes (own product excluding coating revenue)	39,389	163,822	619,089	662,343
Revenue from conversion	2,294	4,689	7,970	7,084
Coating of pipes	164,214	93,976	426,676	270,457
Cotton yarn / raw cotton	446,985	1,053,498	1,895,909	2,368,305
Others (including pipes laboratory testing)	10,282	3,372	41,254	19,535
Scrap / waste	22,154	48,095	85,818	113,584
Sales returns	(1,302)	(46,121)	(11,397)	(64,014)
	<u>684,016</u>	<u>1,321,331</u>	<u>3,065,319</u>	<u>3,377,294</u>
Export sales				
Cotton yarn / raw cotton	54,013	-	161,253	-
Cotton waste	-	14,300	-	14,300
	<u>54,013</u>	<u>14,300</u>	<u>161,253</u>	<u>14,300</u>
	<u>738,029</u>	<u>1,335,631</u>	<u>3,226,572</u>	<u>3,391,594</u>
Sales tax and special excise duty	(29,484)	(7,865)	(149,030)	(55,476)
	<u>708,545</u>	<u>1,327,766</u>	<u>3,077,542</u>	<u>3,336,118</u>

19. INCOME FROM INVESTMENTS

- | | | | | |
|---|---------------|---------------|---------------|----------------|
| Return on term finance certificates | 248 | 517 | 1,036 | 1,582 |
| Dividend income | 12,607 | 12,628 | 57,078 | 59,548 |
| Gain / (loss) on sale of investments - net | 3,835 | 44,468 | (1,317) | 76,732 |
| Unrealized gain / (loss) on held for
trading investments - net | 36,589 | (32,777) | 2,943 | 20,050 |
| Rent from investment property | 2,577 | 2,137 | 7,650 | 6,645 |
| | <u>55,856</u> | <u>26,973</u> | <u>67,390</u> | <u>164,557</u> |
- 19.1 Direct operating expenses incurred against rental income from investment property amounted to Rs. 2,891 million (2011: Rs. 1,806 million). Further, Rs. 0,908 million (2011: Rs. 2,149 million) were incurred against non rented out area.



Crescent Steel &
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20. OTHER OPERATING EXPENSES

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Exchange loss	1,495	170	20,135	4,946
Provision for slow moving stores, spares and loose tools	-	-	2,320	11,637
Provision for stock-in-trade	-	-	-	1,115
Provision for doubtful trade debts	-	-	-	8,460
Provision for doubtful advances	-	45	-	45
Provision for Workers' Welfare Fund	1,812	5,673	5,019	13,953
Provision for Workers' Profit Participation Fund	2,252	13,715	11,165	28,234
Provision for diminution in the value of investments - net	-	-	19,034	-
	<u>5,559</u>	<u>19,603</u>	<u>57,673</u>	<u>68,390</u>

21. FINANCE COSTS

Incurring on				
- finance lease obligations	922	-	3,070	-
- long term loan	-	-	-	1,703
- running finances / short term loans	26,174	38,641	78,325	104,033
- Workers' Profit Participation Fund	-	-	563	-
Bank charges	462	334	2,705	1,346
	<u>27,558</u>	<u>38,975</u>	<u>84,663</u>	<u>107,082</u>

22. BASIC AND DILUTED EARNINGS PER SHARE

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Profit after taxation for the period	139,951	243,965	263,527	625,384
	(Number of shares)		(Number of shares)	
Average number of ordinary shares in issue during the period	56,459,993	56,459,993	56,459,993	56,459,993
	(Rupees)		(Rupees)	
Basic and diluted earnings per share	2.48	4.32	4.67	11.08

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23. CASH GENERATED FROM / (USED IN) OPERATIONS

	Nine months period ended	
	31 March 2012	31 March 2011
	(Rupees in '000)	
Profit before taxation for the period	330,575	813,847
Adjustments for non cash charges and other items		
Depreciation on operating fixed assets and investment property	105,759	120,234
Amortization of intangible assets	8,526	8,662
Charge for the period on staff retirement benefit funds	8,312	12,377
Charge for compensated absences	1,855	511
Provision for 10-C bonus	-	3,717
Amortization of advances to staff	62	147
Amortization of initial transaction costs	-	107
Dividend income	(57,078)	(59,548)
Unrealised loss / (gain) on held for trading investments - net	(2,943)	(20,050)
Loss / (gain) on sale of investments - net	1,317	(76,732)
Provision for stock-in-trade and stores, spares and loose tools - net	2,320	12,728
(Reversal of provision) / provision for doubtful trade debts - net	(4,363)	8,460
Provision for doubtful advances	-	45
Provision for Workers' Welfare Fund	5,019	13,953
Provision for Workers' Profit Participation Fund	11,165	28,234
Reversal of provision for liquidated damages	-	(2,782)
Provision for diminution in the value of investments	19,033	-
Return on deposits and investments	(2,901)	(4,378)
Gain on disposal of operating fixed assets	(626)	(3,612)
Liabilities written back	(674)	-
Finance costs	84,663	107,082
Share of profit from equity accounted investees - net of taxation	(160,085)	(156,063)
Working capital changes	23.1	23.1
	<u>544,006</u>	<u>186,270</u>
23.1 Working capital changes		
Decrease / (increase) in current assets		
Stores, spares and loose tools	(8,053)	(26,699)
Stock-in-trade	(49,192)	(388,932)
Trade debts	(59,845)	86,502
Advances	3,008	(40,656)
Trade deposits and short term prepayments	(916)	(2,750)
Other receivables	(63,409)	(21,310)
	<u>(178,407)</u>	<u>(393,845)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	372,477	(226,824)
	<u>194,070</u>	<u>(620,669)</u>
24. CASH AND CASH EQUIVALENTS		
Running finances under mark-up arrangements	(648,616)	(780,136)
Cash and bank balances	36,700	58,780
	<u>(611,916)</u>	<u>(721,356)</u>



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25. SEGMENT REPORTING

25.1 Reportable segments

The Group's reportable segments under International Financial Reporting Standard 8 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 property (held for rentals as well as long term appreciation).
- Energy segment - It comprises operations of Shakarganj Energy (Private) Limited.

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

25.2 Segment revenues and results

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

For the nine months period ended 31 March 2012	Steel segment	Cotton segment	IID segment	Energy segment	Total
	(Rupees in '000)				
Sales - net	955,006	2,122,536	-	-	3,077,542
Cost of sales	630,403	2,054,783	-	-	2,685,186
Gross profit	324,603	67,753	-	-	392,356
Income from investments	-	-	67,390	-	67,390
	324,603	67,753	67,390	-	459,746
Distribution and selling expenses	9,095	23,410	-	-	32,505
Administrative expenses	77,816	29,211	12,667	4,481	124,175
Other operating expenses	35,547	1,892	20,234	-	57,673
	122,458	54,513	32,901	4,481	214,353
	202,145	13,240	34,489	(4,481)	245,393
Other operating income	7,683	1,857	48	172	9,760
Operating profit / (loss) before finance costs	209,828	15,097	34,537	(4,309)	255,153
Finance costs	3,161	70,494	10,998	10	84,663
Share of profit in equity accounted investees - net of taxation	-	-	139,952	20,133	160,085
Profit / (loss) before taxation	206,667	(55,397)	163,491	15,814	330,575
Taxation					67,048
Profit after taxation					263,527

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For the nine months period ended 31 March 2011	Steel segment	Cotton segment	IID segment	Energy segment	Total
	(Rupees in '000)				
Sales - net	917,542	2,418,576	-	-	3,336,118
Cost of sales	664,096	1,887,272	-	-	2,551,368
Gross profit	253,446	531,304	-	-	784,750
Income from investments	-	-	164,557	-	164,557
	253,446	531,304	164,557	-	949,307
Distribution and selling expenses	10,516	19,082	-	-	29,598
Administrative expenses	67,741	39,570	11,934	397	119,642
Other operating expenses	32,755	34,362	1,249	24	68,390
	111,012	93,014	13,183	421	217,630
	142,434	438,290	151,374	(421)	731,677
Other operating income	9,120	22,432	-	1,637	33,189
Operating profit before finance costs	151,554	460,722	151,374	1,216	764,866
Finance costs	3,348	89,538	14,173	23	107,082
Share of profit in equity accounted investees - net of taxation	-	-	134,670	21,393	156,063
Profit before taxation	148,206	371,184	271,871	22,586	813,847
Taxation					188,463
Profit after taxation					625,384

25.2.1 Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the period (2011: Nil).

25.2.2 The accounting policies of the reportable segments are the same as the Group's accounting policies as disclosed in the audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2011. The Steel segment allocates certain percentage of the common expenditure to the Cotton and IID segments. In addition, financial charges 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 this condensed interim consolidated financial information.

25.4 Information about major customers

Revenue from major customers of Steel segment represent an aggregate amount of Rs. 741.434 million (2011: Rs. 837.782 million) of total Steel segment revenue of Rs. 955.006 million (2011: Rs. 917.542 million). Further, revenue from major customers of Cotton segment represent an aggregate amount of Rs. 418.160 million (2011: Rs. 560.336 million) of total Cotton segment revenue of Rs. 2,122.536 million (2011: Rs. 2,418.576 million).



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25.5 Geographical information

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

	Quarter ended		Nine months period ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	(Rupees in '000)			
Pakistan	654,532	1,313,466	2,916,289	3,321,818
Far East	54,013	-	161,253	-
Europe	-	14,300	-	14,300
	708,545	1,327,766	3,077,542	3,336,188

25.5.2 All non-current assets of the Group as at 31 March 2012 and 30 June 2011 were located and operated in Pakistan.

25.6 Segment assets and liabilities

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

	Steel segment	Cotton segment	IID segment	Energy segment	Total
	(Rupees in '000)				

As at 31 March 2012

Segment assets for reportable segments	715,516	1,708,825	882,161	431,671	3,738,173
Investment in equity accounted investee	-	-	1,552,259	158,364	1,710,623
Unallocated corporate assets					(147,689)
Total assets as per balance sheet					5,301,107

Segment liabilities for reportable segments	167,025	474,807	2,663	2,446	646,941
Unallocated corporate liabilities					818,290
Total liabilities as per balance sheet					1,465,231

As at 30 June 2011

Segment assets for reportable segments	568,387	1,626,917	879,910	415,414	3,490,628
Investment in equity accounted investees	-	-	1,349,446	148,577	1,498,023
Unallocated corporate assets					(83,426)
Total assets as per balance sheet					4,905,225

Segment liabilities for reportable segments	149,065	146,966	4,449	125,364	425,844
Unallocated corporate liabilities					878,065
Total liabilities as per balance sheet					1,303,909

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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 'trade and other payables' directly relating to corporate, 'short term borrowings', 'mark-up accrued' and liabilities relating to current and deferred taxation.

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

25.7 Other segment information

For the nine months period ended 31 March 2012	Steel segment	Cotton segment	IID segment	Energy segment	Total
		(Rupees in '000)			

Capital expenditure	5,283	53,276	35	16,908	75,502
Depreciation and amortization	28,172	82,176	3,999	-	114,347
Non-cash items other than depreciation and amortization - net	21,617	71,819	(168,127)	(20,295)	(94,986)

**For the nine months period
ended 31 March 2011**

Capital expenditure	2,620	22,471	-	206,173	231,264
Depreciation and amortization	26,608	98,643	3,899	-	129,150
Non-cash items other than depreciation and amortization - net	35,960	127,750	(276,785)	(22,983)	(136,058)

26. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, directors, companies where directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. Balances and transactions between the Holding Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

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

Name of entity	Nature of relationship	Nature of transaction	Nine months period ended	
			31 March 2012	31 March 2011
			(Rupees in '000)	
Crescent Jute Products Limited *	Related party	Services received	-	483
		Services rendered	-	1,130
Crescent Sugar Mills & Distillery Limited *	Related party	Dividend paid	-	668



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Name of entity	Nature of relationship	Nature of transaction	Nine months period ended	
			31 March 2012	31 March 2011
			(Rupees in '000)	
Muhammad Amin Muhammad Bashir Limited **	Related party	Dividend paid	<u>1</u>	<u>1</u>
Premier Insurance Company **	Related party	Dividend paid	<u>100</u>	<u>40</u>
		Insurance premium	<u>1,298</u>	<u>706</u>
Shakarganj Food Products Limited **	Related party	Rental income	<u>832</u>	<u>-</u>
Shakarganj Mills Limited	Associated company	Dividend paid	<u>6,120</u>	<u>2,007</u>
		Sales of finished goods	<u>16,671</u>	<u>1,761</u>
		Services received	<u>31</u>	<u>3,694</u>
		Services rendered	<u>1,014</u>	<u>1,080</u>
The Citizens' Foundation **	Related party	Donation given	<u>9,524</u>	<u>15,465</u>
The Crescent Textile Mills Limited **	Related party	Dividend paid	<u>13,972</u>	<u>5,589</u>
Crescent Cotton Products - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>2,960</u>	<u>1,300</u>
		Dividend paid	<u>11</u>	<u>4</u>
Crescent Steel and Allied Products Limited - Gratuity Fund	Retirement benefit fund	Contribution made	<u>2,419</u>	<u>2,211</u>
		Dividend paid	<u>1,111</u>	<u>342</u>
Crescent Steel and Allied Products Limited - Pension Fund	Retirement benefit fund	Contribution made	<u>6,086</u>	<u>5,495</u>
		Dividend paid	<u>2,336</u>	<u>554</u>
Crescent Steel and Allied Products Limited - Staff Provident Fund	Retirement benefit fund	Contribution made	<u>3,365</u>	<u>4,462</u>
		Dividend paid	<u>1,000</u>	<u>393</u>
Key management personnel	Related parties	Remuneration and benefits	<u>39,869</u>	<u>31,350</u>

* These entities have been related parties of the Group by virtue of common directorship only. The Group no longer has significant influence over these entities as at 31 March 2012.

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

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- 26.1 Sale of finished goods, operating fixed assets and raw materials, rendering of services and rental income 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 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 the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2011.

28. NON ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors of the Holding Company in their meeting held on 30 April 2012 has declared first interim cash dividend of Re. 1 (i.e. 10%), amounting to Rs. 56.460 million. This condensed interim consolidated financial information does not reflect this proposed issue.

29. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim consolidated financial information was authorized for issue in the Board of Directors meeting held on 30 April 2012.


Chief Executive


Director

STOCK EXCHANGE LISTING

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

The Company's shares are quoted in leading dailies under the Industrial metals and Mining Sector.

PUBLIC INFORMATION

Financial analysts, stock brokers, interested investors and financial media desiring information regarding the company should contact Mr. Abdul Wahab at the Company's Principal Office, Karachi.
Telephone: 021-35674881-5
Email: abdul.wahab@crestent.com.pk

SHAREHOLDERS' INFORMATION

Enquiries concerning lost share certificates, dividend payments, change of address, verification of transfer deeds and share transfers should be directed to the M/s CorpTec Associates (Private) Limited, 7/3-G, Mushtaq Ahmed Gurmani Road, Gulberg-II, Lahore. Telephone: 042-35788097-98
Fax: 042-35755215
Email: info@corptech.com.pk

PRODUCTS

Steel Division

Manufacturer of DSAW steel line pipes in diameters ranging from 8" to 90" and applicator of internal and external coating conforming to international standards.

Cotton Division

Manufacturer of quality cotton yarn of various counts of 10s to 100s.

AUDITORS

KPMG Taseer Hadi & Co.

LEGAL ADVISOR

Hassan & Hassan, Advocates, Lahore

BANKERS

Allied Bank Limited
Barclays Bank PLC, Pakistan
Habib Metropolitan Bank Limited
HSBC Bank Middle East Limited
MCB Bank Limited
Summit Bank Limited

REGISTERED OFFICE

10th Floor, BOP Tower, 10-B, Block E-2, Main Boulevard, Gulberg-III, Lahore.
Telephone: 042-35783801-2,
042-35783811

LIAISON OFFICE LAHORE

10th Floor, BOP Tower, 10-B, Block E-2, Main Boulevard, Gulberg-III, Lahore.
Telephone: 042-35783801-4
Fax: 042-35870357
Email: ejaz@shakarganj.com.pk

PRINCIPAL OFFICE

9th Floor, Sidco Avenue Centre, 264 R.A. Lines, Karachi-74200.
Telephone: 021-35674881-5
Fax: 021-35680476
Email: arif.raza@crestent.com.pk

FACTORY – STEEL DIVISION

Pipe & Coating Plants
A/25, S.I.T.E., Nooriabad, District Jamshoro, Sindh.
Telephone: 025-4670020-2
Email: iqbal.siddiqui@crestent.com.pk

Engineering Unit

17 Km Summundri Road, Dalowal, District Faisalabad, Punjab.
Telephone: 041-2569825
Fax: 041-2569826

MILLS – COTTON DIVISION

Crescent Cotton Products (Spinning Unit)
1st Mile, Lahore Road, Jaranwala, District Faisalabad, Punjab.
Telephone: 041-4313799,
4312899, 4311741
Fax: 041-4315475
Email: abdul.rouf@crestent.com.pk

POWER PLANT

Shakarganj Energy (Private) Limited
57 Km Jhang Sargodha Road, Bhone, District Jhang.
Telephone: 048-6889211-12
Fax: 048-6889213

CORPORATE WEBSITE

To visit our website, go to www.crescent.com.pk or scan QR code



For interim report for the nine months period ended March 2012, go to http://www.crescent.com.pk/Financial_Reports/Quarter-Mar12.pdf or scan QR code



Crescent Steel and Allied Products Limited is a Public Limited Company listed on all the Stock Exchanges of Pakistan. It started commercial production in March 1987. The manufacturing facilities consist of a Spiral Pipe Production line and a multi-layer Polyolefin and stand-alone Epoxy Coating line, both located side by side at the Sindh Industrial Trading Estate, Nooriabad in Jamshoro district of Sindh and a Cotton Spinning Unit of 19,680 spindles CCP-I and 25,344 spindles CCP-II (currently not operational) both at Jaranwala, Faisalabad.

Company's Investment and Infrastructure Development Division manages an investment portfolio and real estate.

Crescent Steel and Allied Products Limited is an equal opportunity employer with a sense of social responsibility and strongly supports education, healthcare and environmental causes.

STEEL DIVISION

The Spiral Pipe Plant has a capability of manufacturing high quality steel pipes in the diameter range of 8" – 90" (219 mm – 2,286 mm) in wall thickness from 4 mm – 20 mm and material grades up to API 5L X-80. The Company has been gradually enhancing and upgrading the pipe production capacity which has increased from 80,000 tons initially to the present notional capacity of 90,000 tons extendable upto maximum 200,000 tons per annum. The Company has authorization to use API monogram of the American Petroleum Institute – the highest international standard accredited

for quality of steel line pipe. It also has the ISO 9001:2000 certification. In addition, we have become the first Pakistani company to have acquired oil and gas industry specifics ISO/TS 29001, Quality Management System Certification from API. The Polyolefin Coating Plant was added adjacent to the pipe mills which is capable of applying single and multi-layer Coatings comprising of Fusion Bonded Epoxy, Co-Polymer Adhesive and High Density Polyethylene / Poly-propylene and Polyethylene Tape Coating on steel pipes ranging from 4" – 60" (114 mm – 1,524 mm). During the last year we diversified our product offering by adding capabilities to fabricate and erect machinery specially for sugar and cement industry. We have also developed capability for manufacturing of boilers, cane shredders upto dia 1700mm, juice heaters, evaporators, batch and continuous vacuum pans, centrifugal machines, stainless steel spray clusters and multijet condensers, perforated plates and vibro screens, and high voltage transformer tanks. Crescent Steel maintains high quality norms in all its products and has consistently exceeded the requirements of international standards both in steel line pipe and multi-layer coatings and will continue to remain at the cutting edge in terms of technology, quality control and quality assurance.

COTTON DIVISION

The Company is running cotton spinning mill located at Jaranwala near Faisalabad, which is the hub of textile industry and

carries out this activity under the name and title of "Crescent Cotton Products" (CCP) a division of Crescent Steel and Allied Products Limited. CCP is a division of the Company but its operating results are shown separately. CCP as a division holds ISO 9001 : 2000 Quality Management Credential. CCP produces good quality cotton yarn of various counts from 10s to 100s having a notional capacity based on 20s of 6.5 and 9.3 million kgs per annum in CCP-I and CCP-II respectively and its products are consistently in demand and generally sold at a premium.

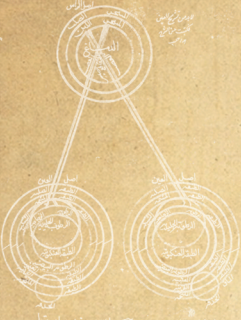
INVESTMENT AND INFRASTRUCTURE DEVELOPMENT DIVISION

The division manages an investment portfolio in shares and other securities, across diversified sectors and real estate. Our strategy has been to focus on those sectors and projects which have potential for growth and where real investments are being made.

ENERGY DIVISION – SUBSIDIARY COMPANY SHAKARGANJ ENERGY (PRIVATE) LIMITED

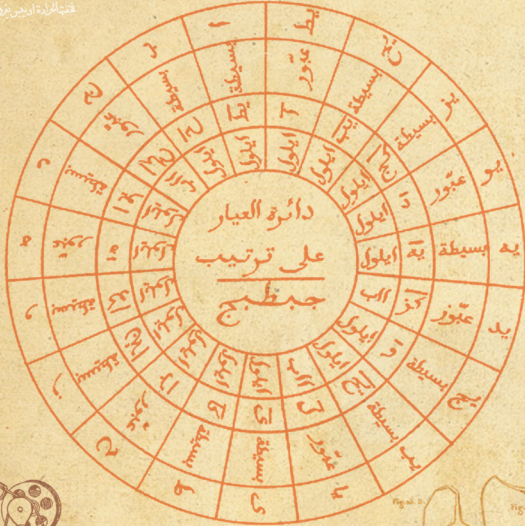
The company acquired a 100% stake in Shakarganj Energy (Private) Limited on 4 January 2010 to build, own, operate and maintain a bagasse fired thermal generation power plant. This company will generate, accumulate, distribute, sell and supply electricity to PEPCO and to other distribution companies under agreement with the Government of Pakistan or to any other company as permitted. This plant is under commissioning at Bhone.

الغرض من هذا الكتاب أن يكون
موسمياً في معرفة كيفية
العمل على الآلة التي تصنع
التي تحت الآلة التي تصنع



أما في شجرة بلوط الدم فاشه ونبت في الخريف والربيع
التي تحت الآلة التي تصنع

استعملوا الآلة التي تحت الآلة
التي تحت الآلة التي تصنع



Apparatus which is
the infinitely extended
to which it is able
to other formation
of participation with
the particles themselves
- and of which nothing
keep the same heat
is near in any real
connect to the degree
in a week or two. *John May*

The apparatus which
used in heating
fluids, the fluid may
be heavy - & that is
a point which our
apparatus would very
likely default in regard
to the measure required
found in a clean fluid.
*Very truly yours
Alexander Boston*

