

1st Quarterly  
Report 2024



Crescent Steel and  
Allied Products Limited

**CANVAS  
OF CHANGE**  
UNFOLDING ART MOVEMENTS



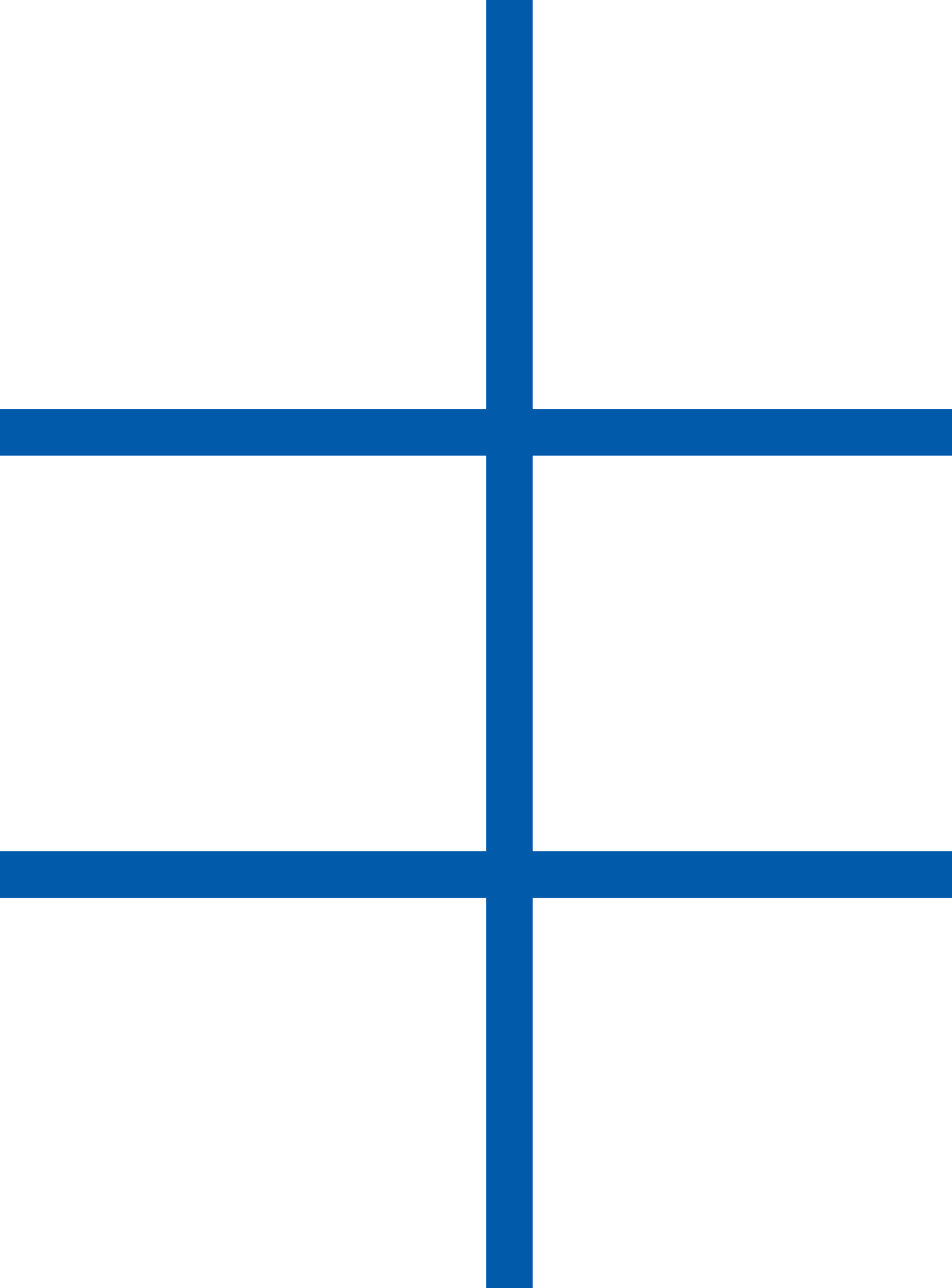
# CANVAS OF CHANGE

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

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

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

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



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# COMPANY PROFILE

**Crescent Steel and Allied Products Limited is a conglomerate corporation listed on the Pakistan Stock Exchange as 'CSAP'. Starting commercial operations with a line pipe manufacturing facility in March 1987, today the company operates businesses in four defined sectors – engineering, textiles, capital markets and power – spread over six campuses in Pakistan. The Company operates five divisions and two wholly owned subsidiaries.**

## STEEL DIVISION – SPIRAL PIPE PRODUCTION LINE, PIPE COATINGS AND FABRICATION

The Company's Steel Division operates two Helical Seam Submerged Arc Welded steel pipe manufacturing lines and an external coating application line at Nooriabad and, a fabrication facility – Shakarganj Engineering – in Dalawal, Faisalabad. The pipe manufacturing facility produces Submerged Arc Welded Helical seam carbon steel pipes in diameters ranging from 8 to 120 inches (219mm – 3,048mm), thickness up to 1 inch and in steel grade up to API 5L X-100 or equivalent. The unit has authorization to use API monogram of the American Petroleum Institute (API) – the highest international standard accredited for quality of steel line pipe in the Oil and Gas Sector and also continues to retain the ISO 9001 certification.

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

Crescent Steel is a responsible local line pipe manufacturer that continues to serve as a partner in important national energy projects with demonstrated commitment in terms of quality, experience, financial strength and technical expertise.

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

The unit also has the capability to fabricate and erect machinery used in the secondary steel sector and it was leveraged for partial fabrication of a continuous caster machine structure, girders for overhead cranes and a vibratory scrap feeder for the billet manufacturing units of the steel industry.

## COTTON DIVISION – COTTON YARN SPINNING UNIT

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

CCP is a division of the company but its operating results are shown separately. As a division, it is registered with the Ministry of Textile Industry Pakistan and All Pakistan Textile Mills Association (APTMA). It produces quality cotton/synthetic yarn with value addition of slub, siro and compact attachments.

CCP is equipped with modern high-tech European and Japanese machinery ensuring a high-quality yarn making process, producing various counts from 10s to 31s and has a notional capacity (based on 20s) of 6.36 million kilograms per annum.

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

## INVESTMENT AND INFRASTRUCTURE DEVELOPMENT DIVISION

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

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

## CS ENERGY DIVISION

The primary function of this unit is to provide electricity internally to Crescent Hadeed Division -Billet Manufacturing Unit and generate, accumulate, distribute, sell and supply electricity to distribution companies, as permitted.

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

## CRESCENT HADEED DIVISION – BILLET MANUFACTURING UNIT

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

The unit operates a melt shop (equipped with two induction melting furnaces and a continuous casting machine) with an annual production capacity of 85,000 MT of steel billets in sizes ranging from 100mm X 100mm to 150mm X 150mm and a standard length of 6 meters. Billets manufactured by the unit are used by re-rolling mills to manufacture bars and other steel long products for use in the construction and engineering sectors.

## SUBSIDIARY COMPANIES

### CS CAPITAL (PRIVATE) LIMITED

CS Capital (Private) Limited is a fully owned subsidiary of Crescent Steel. The principal activity of the subsidiary is to manage and organically grow investment portfolios in stocks, commodities, and other securities, both strategic and short term.

### SOLUTION DE ENERGY (PRIVATE) LIMITED

Solution de Energy which was previously operating as a fully owned subsidiary of CS Energy (Private) Limited, now operates as a fully owned subsidiary of Crescent Steel, post amalgamation of CS Energy (Private) Limited and Crescent Steel.

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

# COMPANY INFORMATION

## BOARD OF DIRECTORS

**Ahmad Waqar**  
Chairman, Non-Executive Director

**Ahsan M. Saleem**  
Chief Executive Officer

**Farah Ayub Tarin**  
Non-Executive Director (Independent)

**Farrukh V. Junaidy**  
Non-Executive Director (Independent)

**Muhammad Kamran Saleem**  
Non-Executive Director (Independent)

**Nadeem Maqbool**  
Non-Executive Director (Independent)

**Nasir Shafi**  
Non-Executive Director

**S.M. Ehtishamullah**  
Non-Executive Director

## COMPANY SECRETARY

Azeem Sarwar

## AUDIT COMMITTEE

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

**Nadeem Maqbool**  
Member, Non-Executive Director (Independent)

**Nasir Shafi**  
Member, Non-Executive Director

**S.M. Ehtishamullah**  
Member, Non-Executive Director

## HUMAN RESOURCE AND REMUNERATION COMMITTEE

**Nadeem Maqbool**  
Chairman, Non-Executive Director (Independent)

**Ahmad Waqar**  
Member, Non-Executive Director

**Farah Ayub Tarin**  
Member, Non-Executive Director (Independent)

**Nasir Shafi**  
Member, Non-Executive Director

## GOVERNANCE AND NOMINATION COMMITTEE

**Ahmad Waqar**  
Chairman, Non-Executive Director

**Ahsan M. Saleem**  
Member, Chief Executive Officer

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

## RISK MANAGEMENT COMMITTEE

**S.M. Ehtishamullah**  
Chairman, Non-Executive Director

**Farah Ayub Tarin**  
Member, Non-Executive Director (Independent)

**Muhammad Kamran Saleem**  
Non-Executive Director (Independent)

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

## MANAGEMENT TEAM

**Ahsan M. Saleem – 1983\***  
Chief Executive Officer

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

**Abdul Rouf – 2000\***  
Business Unit Head – Cotton Division

**Arif Raza – 1985\***  
Business Unit Head – Steel Division

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

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

**Abdullah A. Saleem – 2017\***  
Head of Commercial Operations

**Iqbal Abdulla – 2014\***  
IT Advisor

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

## HEAD OF INTERNAL AUDIT

**Muhammad Shakeeb Ullah Khan – 2021\***

## AUDITORS

### EXTERNAL AUDITORS

A.F. Ferguson & Co  
Chartered Accountants

### INTERNAL AUDITORS

BDO Ebrahim & Co  
Chartered Accountants

## LEGAL ADVISOR

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

## BANKERS

### CONVENTIONAL

Allied Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Summit Bank Limited

\* Year of Joining



## SHARIAH COMPLIANT

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

## SUBSIDIARIES\*\*

CS Capital (Private) Limited  
Solution de Energy (Private) Limited

## REGISTERED OFFICE

E-Floor, IT Tower, 73-E/1, Hali Road,  
Gulberg-III, Lahore.  
Tel: +92 42 3578 3801-03  
Fax: +92 42 3578 3811

## LIAISON OFFICE LAHORE

E-Floor, IT Tower, 73-E/1, Hali Road,  
Gulberg-III, Lahore.  
Tel: +92 42 3578 3801-03  
Fax: +92 42 3578 3811  
Email: asif.randhawa@crescent.com.pk

## PRINCIPAL OFFICE

9th Floor, Sidco Avenue Centre, 264 R.A. Lines,  
Karachi-74200.  
Tel: +92 21 3567 4881-85  
Fax: +92 21 3568 0476  
Email: info@crescent.com.pk

## PRODUCTION SITES

### STEEL DIVISION PIPE AND COATING PLANTS

A/25, S.I.T.E., Nooriabad, District  
Jamshoro, Sindh-73090.  
Tel: +92 25 4670 020-22, +92 25 4670 055  
Email: arif.raza@crescent.com.pk

### ENGINEERING UNIT

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

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

## COTTON DIVISION CRESCENT COTTON PRODUCTS

1st Mile, Lahore Road, Jaranwala,  
District Faisalabad.  
Tel: +92 41 4318 061-65  
Fax: +92 41 4318 066  
Email: [abdul.rouf@crecident.com.pk](mailto:abdul.rouf@crecident.com.pk)

## CRESCENT HADEED DIVISION BILLET MANUFACTURING UNIT

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

## CS ENERGY DIVISION POWER GENERATION UNIT

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

## PUBLIC INFORMATION

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

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

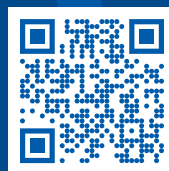
## SHARE REGISTRAR

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

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

## CORPORATE WEBSITE

To visit our website, go to [www.crescent.com.pk](http://www.crescent.com.pk)



## FINANCIAL STATEMENT

For 1st Quarterly Report 2024 go to:  
[https://crecident.com.pk/uploads/media/  
quarterly-report-september-2023.pdf](https://crecident.com.pk/uploads/media/quarterly-report-september-2023.pdf)



# POST- IMPRESSIONISM

1886 -  
1905

## VINCENT VAN GOGH

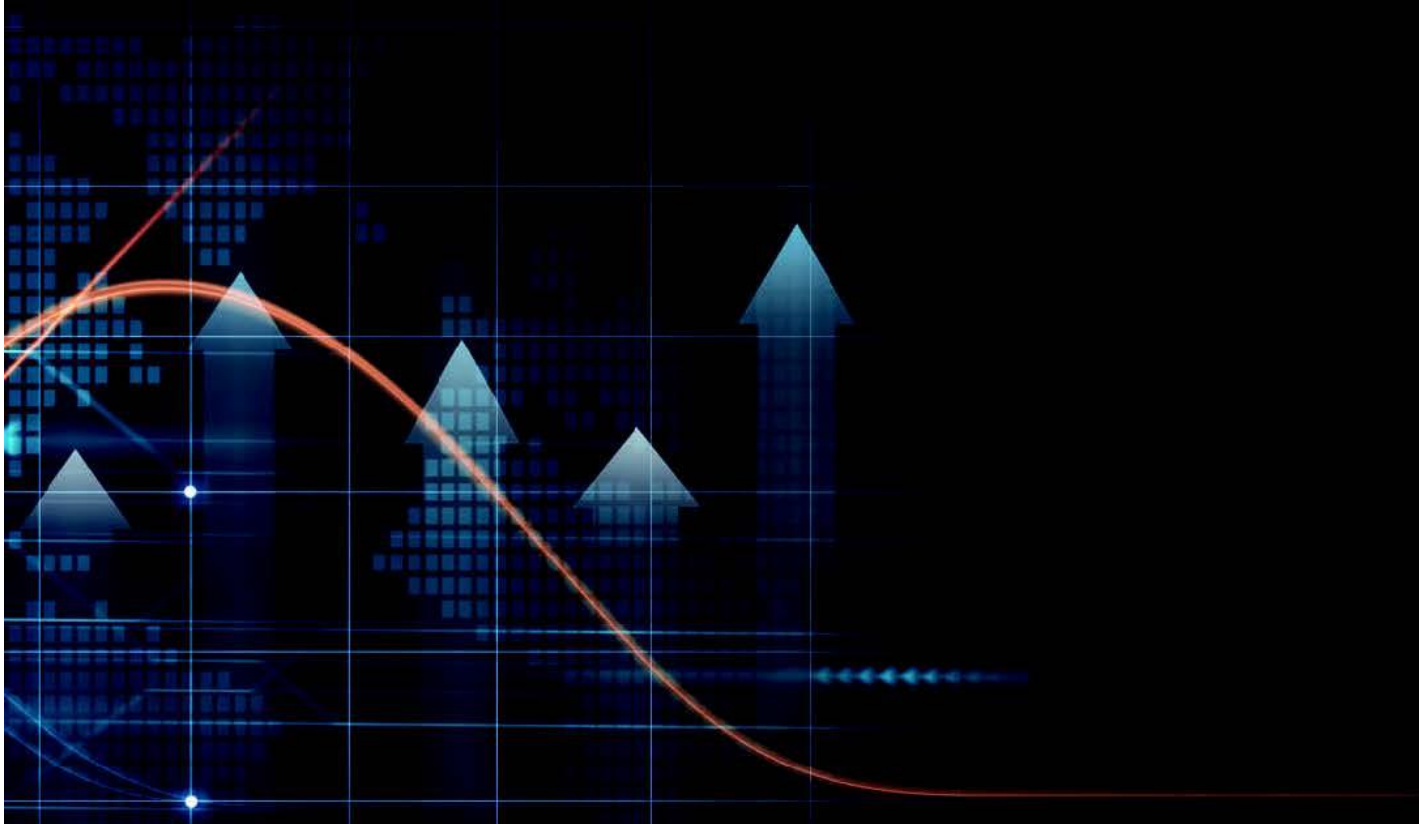
**Title:** The Starry Night

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

Source: <https://artsandculture.google.com/asset/the-starry-night-vincent-van-gogh/bgEuwDxel93-Pg>







**CRESCENT STEEL AND ALLIED PRODUCTS LIMITED**

# **DIRECTORS' REPORT**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

# DIRECTORS' REPORT

**The Directors of the Company are pleased to submit their report together with unaudited condensed interim unconsolidated and consolidated financial statements of the Company and the Group, respectively, for the three months period ended September 30, 2023.**

## ECONOMIC OUTLOOK

Pakistan closed FY23 with a GDP growth rate of 0.29% and Inflation of 29.4% YoY resulting in an average of 29.12% for the July-June 2023. As per World Bank estimates, growth is expected to stay subdued as real GDP of Pakistan is anticipated at 1.7% in FY24 and Core Inflation estimates hover at 26.5%. In compliance with the IMF agreement, the relentless escalation of electricity and fuel prices continued throughout the quarter; almost up by 20% YoY in September 2023. Additionally, as the country grapples with a low demand and growth environment, and a staggering inflation rate nearing 30%, the imposing 22% interest rate, introduced to curb inflation, is disrupting the business environment without achieving the intended goal. The Pakistani rupee has experienced a significant decline of approximately 39.61% in its value during FY23. Furthermore, inadequate FX reserves, with the State Bank of Pakistan holding a mere USD 7.61 billion, while over USD 20.81 billion are needed to manage debt obligations, highlight the continued need for external financing.

Stepping into Q1FY24 with the IMF review approaching next month, the GoP will seek to make further progress on agreed structural reforms, particularly in the energy sector to unlock the next tranche of USD 0.71 billion.

We saw a sustained decline in headline inflation from a record high of 38% in May to 28.3% in July 2023 and 27.4% in August 2023 however, the increasing power tariffs eventually caught up and CPI clocked in at 31.4% YoY for the month of September 2023

(September 2022: 23.2%). On average, CPI Inflation stood at 29.04% for the 1QFY24 when compared to 25.11% in 1QFY23.

Following a surplus in the outgoing quarter, the Current Account balance turned negative during July-Aug FY24, majorly driven by a surge in imports due to ease of LC conditions in line with IMF and subpar worker remittances. In Aug'23, Current Account Deficit clocked in at \$160 million down by 79.33% or \$614 million on a YoY basis while CAD registered for Jul-Aug 2023 was USD 935 million against USD 2.04 billion in the SPLY indicating a dip of 54.05% or USD 1.1 billion.

During the quarter under review, PKR experienced substantial volatility where August witnessed a wide spread of nearly 9% between the interbank and open market dollar rates as opposed to the 1.25% benchmark recommended by IMF. Continued downward trajectory of Pak Rupee resulted to a record low of 305/USD however, administrative measures taken by the caretaker government mainly crackdown to curtail the illegal activity in the exchange market resulted in a sharp appreciation of PKR which closed at 287.74 at quarter end.

The trade deficit for July-Aug of fiscal year 2024 stood at USD 4.41 billion against USD 6.69 billion in the SPLY depicting a decline of 34.09% or USD 2.281 billion. During July-Aug 2023 period, Exports (USD 5.8 billion) covered half of the import bill and plunged by 6.38% from USD 6.06 billion in the SPLY. Similarly, Imports were slashed by 20.92% from USD 12.75 billion in July-Aug'22 to USD 10.09 billion in July-Aug'23.

Total Liquid Foreign Reserves clocked in at USD 13.03 billion at quarter end against USD 9.18 billion at June 30, 2023 – this was despite foreign inflows from IMF, UAE, and Saudi Arabia accounting for USD 4.2 billion. As at September 28, 2023, Reserves with SBP stands at USD 7.61 billion and Reserves with Commercial Banks stands at USD 5.41 billion as compared to USD 4.57 billion and USD 4.71 billion at June 30, 2023, respectively.

## FINANCIAL AND OPERATIONAL PERFORMANCE

### Overall Unconsolidated Financial Performance

Company's sales revenue for the quarter ended September 30, 2023 (Q1FY24) stood at Rs. 1,346.8 million (Q1FY23: Rs. 1,005.7 million). Cost of Goods sold stood at Rs. 1,020.1 million (Q1FY23: Rs. 1,100.3) generating a Gross Profit (GP) of Rs. 326.7 million [Q1FY23 Gross Loss (GL) of Rs. 94.6 million] which was 24.3 percent of sales as compared to a negative margin of 9.4 percent in Q1FY23.

Quarterly performance was majorly represented by the Steel Division where revenue for the Q1FY24 amounted to Rs.1,346.8 million (Q1FY23: Rs.487.3 million). On a deemed revenue basis the Company's overall revenue for Q1FY24 amounted to Rs. 4,134 million.

During Q1FY24, GP of the Steel division amounted to Rs. 374.3 million (Q1FY23: GL of Rs. 30.9 million). The Steel Division reported Profit Before Tax (PBT) of Rs. 180.5 million [Q1FY23 Loss Before Tax (LBT): Rs. 121.1 million]. IID Division reported a PBT of Rs. 308.4 million (Q1FY23 LBT: Rs. 3.5 million) mainly due to the dividend income of Rs. 291.2 million including dividend from Altern Energy Limited amounting to Rs. 285.1 million.

Cotton Division, Hadeed (Billet) Division and CS Energy Division were not operational during the quarter as it was not viable to operate the Plants. Cotton Division reported LBT of Rs. 40.7 million whereas Hadeed (Billet) Division and CS Energy Division posted a combined LBT of Rs. 34.7 million primarily on account of fixed costs

incurred during the period including non-cash (depreciation & amortization expense) of Rs. 32.3 million.

The Company's PBT for Q1FY24 was Rs. 413.6 million as compared to LBT of Rs. 143.7 million in Q1FY23. Tax charge during Q1FY24 amounted to Rs. 88.5 million (current tax charge of Rs. 62.0 million including Super tax of Rs. 21.6 million while deferred tax charge amounted to Rs. 26.5 million).

The Company's after-tax profit amounted to Rs. 325.1 million as compared to an after-tax loss of Rs. 143.7 million in Q1FY23. Earnings per Share (EPS) for Q1FY24 were Rs. 4.19 per share as compared to Loss per Share (LPS) of Rs. 1.85 in Q1FY23.

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

- Sales revenue increased 33.9% to Rs. 1,346.8 million as compared to Rs. 1,005.7 million in Q1FY23.
- Income from Investments amounted to Rs. 317.1 million as compared to Rs. 1.1 million in Q1FY23.
- Gross profit of Rs. 326.7 million as compared to a gross loss of Rs. 94.6 million in Q1FY23.
- Profit before interest and tax (PBIT) for Q1FY24 was Rs. 543.5 million as compared to Loss before interest and tax (LBIT) Rs. 150.7 million in Q1FY23.
- Profit before interest, tax, depreciation, and amortization (EBITDA) was Rs. 602.4 million as compared to Loss before interest, tax, depreciation, and amortization (LBITDA) of Rs. 94.0 million in Q1FY23.
- EPS for Q1FY24 was Rs. 4.19, as compared to LPS of Rs. 1.85 for Q1FY23.
- Return on average capital employed (annualized) was 15.3 percent for Q1FY24 as compared to negative 2.7 percent in the corresponding period last year.

## BUSINESS SEGMENTS

### Steel Segment

Steel Division revenue for Q1FY24 amounted to Rs. 1,346.8 million (Q1FY23: Rs. 487.3 million). GP for the Q1FY24 recorded at Rs. 374.3 million i.e. 27.8% (Q1FY23: gross loss of Rs. 30.9 million i.e. - 6.3%). PBT for the period stood at Rs. 180.5 million (Q1FY23: LBT of Rs. 121.1 million).

We supplied 22 Kms of Coated Steel Line Pipes in diameters of 16" and 20" to Gas Sector. In the same period, we supplied 13 Kms of 84" diameter coated steel line pipes for supplies to the K-IV Greater Karachi Bulk Water Supply Project. The revenue excludes the cost of HRC supplied by the customer. The deemed revenue in the quarter, as such, was Rs. 4,134.2 million.

### IID Segment

#### Market Review

Despite economic downturn prevailing in the economy with policy rate at 22%, headline inflation peaking at 31.4% at quarter end and a depreciating PKR, the benchmark bourse was marked by strong performance during the 1QFY24 posting double digit growth after 11 quarters. The bullish sentiment of the investors was majorly driven by the approval of SBA with IMF that unlocked dollar inflows from IMF and other bilateral and multilateral lenders /grantors along with robust corporate sector earnings and dividend payouts earnings for FY23 (payout stood at 42% of earnings up by 3% YoY while profit growth of the corporate sector was recorded at PKR 1.2trillion or up 16% YoY). As per Bloomberg, the benchmark bourse ranked the sixth best performing market at a 12% QoQ growth.

The KSE-100 index opened FY24 at 41,452.69, gaining 4,779.90 points or 11.53%, to settle at 46,232.59 on 30th September 2023. On a CY basis, the benchmark bourse gained 6,485.24 points or 16.32% from its opening at 39,747.35 on 1st January 2023. For the first time since June 2021, KSE-100 hit the 48,764.55 mark on 2nd August 2023 up by 17.64% from its closing on 30th June 2023, the index however, remained

volatile posting a low-hi of 41,452.69 - 48,764.69.

The all-share market capitalization, currently standing at PKR 6.88 trillion, witnessed an increase of 2.96% and 5.23% on a FYTD and CYTD basis. On a QoQ basis, all share market capitalization surged by 8.10% or 517.10 billion. Similarly, KSE-100 benchmark market capitalization during the quarter ended stood at PKR 1.59 trillion-up by 7.81% or 115.45 billion (7.16% in USD terms) on a QoQ basis - primarily as the PKR/USD remained largely stable.

#### Segment Performance

The portfolio's accumulated PBT for the period ended September 30, 2023, stood at Rs. 308.43 million, as against the LBT of Rs. 3.5 million in the corresponding period last year. This translates into a per share addition of Rs. 3.97 to the Company bottom line.

The PBT includes unrealised gain Rs. 22.7 million, Dividend income for the period stood at Rs. 291.2 million, including Dividend income from strategic investments in Altern Energy Limited of Rs. 285.11 million.

During Q1FY24, the division's HFT investments recorded a positive ROI of 12.44% on weighted average investments of Rs. 217.6 million whereas the benchmark KSE-100 index increased by 11.53%. Dividend yield for the first quarter from the HFT portfolio stands at 2.54% ceteris paribus.

#### UNCONSOLIDATED BALANCE SHEET

Balance sheet footing stood at Rs. 10,941.5 million as of September 30, 2023, compared to Rs 9,948.3 million on June 30, 2023. Break-up value per share increased to Rs. 83.0 from Rs. 78.8 as at June 30, 2023.

The current ratio increased to 1.34, as compared to 1.28 as at June 30, 2023. Gearing ratio (including short-term borrowings) slightly decreased to 24.7% as compared to 24.9% as at June 30, 2023. Interest cover for Q1FY24 was 4.2 times (Q1FY23: negative 2.5 times).



## Overall Consolidated Financial Performance

On a consolidated basis, operating profit before finance costs and share of profit in equity accounted investees amounted to Rs. 294.6 million (Q1FY23: loss of Rs. 153.3 million). Consolidated profit after tax for the Group for Q1FY24 was Rs. 279.4 million as compared to loss after tax of Rs. 96.7 million in Q1FY23. Net share of profit from equity-accounted associates amounted to Rs. 199.0 million (Q1FY23: Rs. 55.9 million).

Consolidated EPS of the Group for Q1FY24 was Rs. 3.60 per share as compared to LPS of Rs. 1.25 per share respectively in the corresponding period last year.

## CONSOLIDATED BALANCE SHEET

On a Group basis, the consolidated balance sheet footing stood at Rs. 12,239.3 million, compared to Rs. 11,302.6 million as at June 30, 2023. Total shareholders' fund increased to Rs. 7,700.8 million from Rs. 7,426.1 million as at June 30, 2023.

## FUTURE OUTLOOK

The prevailing environment remains challenging because of unprecedented political instability and economic challenges. The country has been grappling with the foreign exchange reserves crisis during preceding quarters, which has precipitated a major slowdown in economic activity across the board. This coupled with regressive import contraction policies, record-breaking inflation, high interest rates, and an extremely volatile exchange rate has further dampened industrial growth and customer demand across all industries. The engineering sector is especially vulnerable to these challenges as critical raw materials, consumables and spares are imported. Rising utilities costs, higher financing costs, higher employment costs, and additional taxation have increased input costs for manufacturing and have resultantly reduced customer demand. These measures have also impacted cashflows and agility of businesses. These challenges are expected to

persist during FY24 and may impede our ability to execute projects in hand, while influencing the velocity with which new projects are issued. Import curbs have significantly exposed us to supply side shocks and are a major risk to processing orders in hand.

Current situation in middle east as the potential of engulfing the region into the conflict; and We fear that may have a significant impact in terms of price volatility and supply disruptions for some time. Commodity markets, specifically crude and petrochemical product prices, have already risen in response.

In Q2FY24, we shall conclude balance quantities against our in-process orders of K-IV Greater Karachi Bulk Water Supply Project and gas sector for different diameter pipes. In addition, we will execute in-hand orders for bare pipe for gas company and coating only order.

Further, we have been declared lowest in Gas Companies tenders for which confirmed orders are awaited.

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

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

For and behalf of the Board of Directors.



**Ahsan M. Saleem**  
Chief Executive Officer



**Nadeem Maqbool**  
Director

October 26, 2023

## ڈائریکٹروں کی رپورٹ

کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ 30 ستمبر 2023 کو ختم ہونے والی تین ماہی کے لئے بالترتیب کمپنی اور گروپ کے غیر آڈٹ شدہ عبوری غیر یکجا اور یکجا مالیاتی دستاویزات کے ساتھ اپنی رپورٹ پیش کر رہے ہیں۔

### اقتصادی جائزہ

پاکستان میں مالی سال 2023 کا اختتام جی ڈی پی کی شرح نمو 0.29 فیصد اور افراط زر کی شرح 29.4 فیصد کے ساتھ ہوا، جس کے نتیجے میں جولائی تا جون 2023 کے لیے سال بہ سال کی بنیاد پر اوسطاً 29.12 فیصد اضافہ ہوا۔ عالمی بینک کے تخمینوں کے مطابق مالی سال 2024 میں شرح نمو 1.7 فیصد اور بنیادی حقیقی افراط زر کا تخمینہ 26.5 فیصد رہنے کی توقع ہے۔ آئی ایم ایف کے معاہدے کی تعمیل میں، پوری سہ ماہی کے دوران بجلی اور ایندھن کی قیمتوں میں مسلسل اضافہ جاری رہا اور ستمبر 2023 میں سال بہ سال کی بنیاد پر اس میں تقریباً 20 فیصد سالانہ کے حساب سے اضافہ ہوا۔ مزید برآں، چونکہ ملک میں طلب اور شرح نمو کی کمی دور دورہ ہے، اور مہنگائی کی شرح 30 فیصد کے قریب ہے، جبکہ مہنگائی پر قابو پانے کے لیے متعارف کرائی گئی 22 فیصد سود کی شرح مطلوبہ مقصد کو حاصل کیے بغیر کاروباری ماحول کو بری طرح متاثر کر رہی ہے۔ مالی سال 2023 کے دوران، پاکستانی روپے کی قدر میں تقریباً 39.61 فیصد کمی نمایاں کی واقع ہوئی ہے۔ مزید برآں، زرمبادلہ کے ناکافی ذخائر، جس میں اسٹیٹ بینک آف پاکستان کے پاس محض 7.61 بلین ڈالر ہے، جب کہ قرض کی ادائیگیوں کے لیے 20.81 بلین ڈالر سے زیادہ کی ضرورت ہے، اس سے واضح ہو جاتا ہے کہ ملک میں بیرونی فنانشنگ کی مسلسل ضرورت اپنی جگہ موجود ہے۔

مالی سال 2024 کی پہلی سہ ماہی میں قدم رکھتے ہوئے ہمیں آئی ایم کے اگلے جائزے کا انتظار ہے جس کے تحت حکومت پاکستان کو متفقہ بنیادی اصلاحات پر مزید پیش رفت کرنی ہے، بالخصوص توانائی کے شعبے میں تاکہ 0.71 بلین امریکی ڈالر کی اگلی قسط ہمیں حاصل ہو سکے۔

مئی تا جولائی 2023 افراط زر کی شرح میں 38 فیصد سے 28.3 فیصد کی واضح کمی ہمارے مشاہدے میں آئی ہے جس میں اگست کے مہینے میں 27.4 فیصد تک گراؤٹ ریکارڈ کی گئی۔ تاہم، توانائی کے بڑھتے ہوئے اخراجات آڑے آگئے اور سی پی آئی (CPI) سال بہ سال کی بنیاد پر ستمبر 2023 میں 31.4 فیصد رہا (ستمبر 2022 میں یہ شرح 23.2 فیصد تھی)۔ اوسطاً سی پی آئی کے تحت افراط زر کی شرح مالی سال 2024 کی پہلی سہ ماہی میں 29.04 فیصد ریکارڈ کی گئی ہے جبکہ مالی سال 2023 کی پہلی سہ ماہی کے دوران یہ شرح 25.11 فیصد ریکارڈ کی گئی تھی۔

ختم ہونے والی سہ ماہی میں فاضل ذخائر کے بعد، مالی سال 2024 میں جولائی تا اگست کے دوران کرنٹ اکاؤنٹ کا میزانیہ منفی ہو گیا، جس کی بڑی وجہ آئی ایم ایف کی شرائط کے مطابق ایل سی کی شرائط میں آسانی کی وجہ سے درآمدات میں اضافہ ہے اور افرادی قوت کی ترسیلات زر میں آنے والی کمی ہے۔ اگست 2023 میں کرنٹ اکاؤنٹ خسارہ سالانہ بنیادوں پر 79.33 فیصد کمی کے ساتھ 160 ملین ڈالر تھا یا 614 ملین ڈالر سال بہ سال کی بنیاد پر جبکہ جولائی تا اگست 2023 کرنٹ اکاؤنٹ خسارہ 935 ملین ڈالر تھا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ 2.04 بلین ڈالر تھا یعنی اس میں 54.05 فیصد یا 1.1 بلین ڈالر کی گراؤٹ آئی۔

زیر غور سہ ماہی کے دوران، پاکستانی روپے میں زبردست اتار چڑھاؤ رہا، جبکہ اگست کے مہینے میں اوپن مارکیٹ اور انٹرنیشنل کے مابین 9 فیصد کا فرق ریکارڈ کیا گیا جبکہ اس سلسلے میں آئی ایم ایف کی جانب سے 1.25 فیصد کی حد مقرر کی گئی تھی۔ پاکستانی روپے کی قدر میں کمی کا رجحان جاری رہا یہاں تک کہ روپیہ 305 فی ڈالر کی کم ترین حد تک گر گیا، تاہم نگران حکومت کی جانب سے ڈالر کا غیر قانونی طریقے سے ذخیرہ کئے جانے کے خلاف چھاپے مارے گئے اور سہ ماہی کے اختتام تک روپے کی قدر مستحکم ہو کر 287.74 ڈالر تک جا پہنچی۔

مالی سال 2024 میں جولائی اور اگست کے مہینوں میں تجارتی خسارہ 4.41 بلین ڈالر رہا جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران یہ خسارہ 6.69 بلین ڈالر تھا یعنی اس میں 34.09 فیصد یا 2.282 بلین ڈالر کی کمی واقع ہوئی ہے۔ مالی سال 2023 میں جولائی اور اگست کے مہینوں کے دوران برآمدات (5.8 بلین ڈالر) سے درآمدات کے تقریباً نصف بلوں کی ادائیگی ہوئی اور گزشتہ مالی سال کے عرصے کے دوران 6.06 بلین ڈالر سے اس میں 6.38 فیصد کی گراؤٹ ریکارڈ کی گئی ہے۔ درآمدات میں 20.92 فیصد کی کمی واقع ہوئی جو کہ اگست 2022 میں 12.75 بلین ڈالر سے کم ہو کر اگست 2023 میں 10.09 بلین ڈالر ہو گئی۔

مجموعی سیال غیر ملکی زرمبادلہ سہ ماہی کے اختتام پر 13.03 بلین ڈالر رہا اور جبکہ 30 جون 2023 کو سہ ماہی کے دوران یہ رقم 9.18 ڈالر تھی، آئی ایم ایف، عرب امارات اور سعودی عرب کی جانب سے 4.2 بلین ڈالر کی رقم موصول ہونے کے باوجود زرمبادلہ کے ذخائر کی سطح یہ تھی۔ بتاریخ 28 ستمبر 2023 اسٹیٹ بینک آف پاکستان کے پاس زرمبادلہ کے ذخائر 7.61 بلین ڈالر تھے جبکہ کمرشل بینکوں کے موجود زرمبادلہ کے ذخائر 5.41 بلین ڈالر تھے، اس کے مقابلے میں 30 جون 2023 کو اسٹیٹ بینک اور کمرشل بینکوں میں زرمبادلہ کے ذخائر بالترتیب 4.57 بلین ڈالر اور 4.71 بلین ڈالر تھے۔

## مالیاتی و کاروباری کارکردگی

### مجموعی غیر یکجا مالیاتی کارکردگی

کمپنی کی آمدن از فروخت برائے سہ ماہی اختتامیہ 30 ستمبر 2023 (مالی سال 2024 کی پہلی سہ ماہی) 1,346.8 ملین روپے رہی (بمطابق پہلی سہ ماہی 2023 یہ آمدن 1,005.7)۔ فروخت شدہ اشیاء کی پیداواری لاگت 1,020.1 ملین روپے تھی (بمطابق پہلی سہ ماہی 2023 یہ لاگت 1,100.3 ملین تھی)، اور خام منافع 326.7 ملین روپے تھی (بمطابق پہلی سہ ماہی 2023 خام منافع 94.6 ملین تھی) یہ خام منافع فروخت 24.36 فیصد تھا جبکہ مالی سال 2023 کی پہلی سہ ماہی میں یہ تناسب منفی 9.4 فیصد تھا۔

سہ ماہی کی کارکردگی بنیادی طور پر اسٹیبل ڈویژن کی ہے جس آمدن مالی سال 2024 کی پہلی سہ ماہی کیلئے 1,346.8 ملین روپے ہے (جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے یہ آمدن 487.3 ملین روپے تھی)۔ محتاط اندازے کے مطابق پہلی سہ ماہی برائے مالی سال 2024 میں کمپنی کی مجموعی آمدن 4,134 روپے ہے۔

مالی سال 2024 کی پہلی سہ ماہی کے دوران اسٹیبل ڈویژن کا خام منافع 374.3 ملین روپے ہے (بمطابق مالی سال 2023 کی پہلی سہ ماہی 30.9 ملین روپے تھی)۔ اسٹیبل ڈویژن کی جانب سے منافع قبل از ٹیکس 180.5 ملین روپے رہا (بمطابق مالی سال 2023 کی پہلی سہ ماہی نقصان قبل از ٹیکس 121.1 ملین روپے ریکارڈ کیا گیا)۔ آئی آئی ڈی ڈی 5 ان کے مطابق منافع قبل از ٹیکس 308.4 ملین روپے رہا (بمطابق مالی سال 2023 کی پہلی سہ ماہی نقصان قبل از ٹیکس 3.5 ملین روپے ریکارڈ کیا گیا) جس کی بنیادی

وجہ ڈیویڈنڈ سے حاصل ہونے والی 291.2 ملین روپے ہے جس میں 285.1 ملین روپے آئٹرن انرجی لمیٹڈ سے حاصل ہونے والی ڈیویڈنڈ آمدن ہے۔

کاٹن ڈویژن، حدید (بلٹ) ڈویژن اور سی ایس انرجی ڈویژن زیر نظر سہ ماہی کے دوران فعال نہیں تھے کیونکہ انھیں فعال رکھنے کیلئے حالات سازگار نہیں تھے۔ کاٹن ڈویژن کی جانب سے نقصان قبل از ٹیکس 40.7 ملین روپے رپورٹ کیا گیا ہے، جبکہ حدید (بلٹ) اور سی ایس انرجی ڈویژن کی جانب سے مجموعی طور پر 34.7 ملین روپے کا نقصان قبل از ٹیکس رپورٹ کیا گیا، جس کی بنیادی وجہ زیر نظر سہ ماہی کے دوران کئے گئے غیر متغیر اخراجات ہیں جس کی غیر نقد فرسودگی کی لاگت 32.3 ملین روپے تھی۔

مالی سال 2024 کی پہلی سہ ماہی کیلئے کمپنی کا منافع قبل از ٹیکس 413.6 ملین روپے رہا، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے 143.7 ملین روپے کا نقصان قبل از ٹیکس ہوا تھا۔ مالی سال 2024 کی پہلی سہ ماہی کیلئے ٹیکس کی رقم 88.5 ملین روپے بنتی ہے (کرنٹ ٹیکس چارج 62.0 ملین روپے بشمول سپر ٹیکس 21.6 ملین روپے اور موخر ٹیکس 26.5 ملین روپے)۔

کمپنی کا منافع بعد از ٹیکس 325.1 ملین روپے ہے، جبکہ مالی سال 2023 کی پہلی سہ ماہی میں بعد از ٹیکس 143.7 ملین روپے کا نقصان ریکارڈ کیا گیا تھا۔ مالی سال 2024 کی پہلی سہ ماہی کیلئے آمدن فی حصص 4.19 روپے ہے، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے فی حصص 1.85 روپے کا نقصان ریکارڈ کیا گیا تھا۔

### کمپنی کی غیر یکجا مرکوز عبوری مالیاتی دستاویزات کے مطابق کاروباری نتائج

☆ مالی سال 2023 کی پہلی سہ ماہی میں ہونے والی آمدن از فروخت 1,005.7 ملین روپے کے مقابلے میں زیر غور سہ ماہی کے لئے آمدن از فروخت 1,346.8 ملین روپے کی آمدن از فروخت حاصل ہوئی ہے جو کہ 33.9% زائد ہے۔

☆ سرمایہ کاری سے حاصل ہونے والی آمدن 317.1 ملین روپے بنتی ہے، جبکہ مالی سال 2023 کی پہلی سہ ماہی میں یہ آمدن 1.1 ملین روپے تھی۔

☆ خام منافع 326.7 ملین روپے رہا، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے خام منافع 94.6 ملین روپے ریکارڈ کیا گیا تھا۔

☆ مالی سال 2024 کی پہلی سہ ماہی کیلئے قبل از سود ٹیکس منافع 543.5 ملین روپے ہے، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے قبل از سود ٹیکس نقصان 150.7 ملین روپے درج کیا گیا تھا۔

☆ منافع قبل از سود، ٹیکس و فرسودگی 602.4 ملین روپے رہا، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے قبل از سود، ٹیکس و فرسودگی 94.0 ملین روپے کا نقصان ریکارڈ کیا گیا تھا۔

☆ مالی سال 2024 کی پہلی سہ ماہی کیلئے آمدن فی حصص 4.19 روپے ہے، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے آمدن فی حصص 1.85 روپے ریکارڈ کی گئی تھی۔

☆ اوسطاً گئی سرمایہ کاری (سالانہ) پر مالی سال 2024 کی پہلی سہ ماہی کیلئے منافع 15.3 فیصد رہا، جبکہ مالی سال 2023 کی پہلی سہ ماہی کیلئے یہ منافع 2.7 فیصد تھا۔

## کاروباری شعبے

### اسٹیل کا شعبہ

مالی سال 2024 کی پہلی سہ ماہی کیلئے اسٹیل کے شعبے کی آمدن 1,346.8 ملین روپے رہی (مالی سال 2023 کی پہلی سہ ماہی کیلئے یہ آمدن 487.3 ملین روپے تھی)۔ مالی سال 2024 کی پہلی سہ ماہی کیلئے خام منافع 27.8 فیصد کے ساتھ 374.3 فیصد رہا (مالی سال 2023 کی پہلی سہ ماہی کیلئے 30.9 ملین روپے کا خام نقصان ریکارڈ کیا گیا تھا جو کہ منفی 6.3 فیصد تھا)۔ زیر غور سہ ماہی کیلئے نافع قبل از ٹیکس 180.5 ملین روپے رہا (مالی سال 2023 کی پہلی سہ ماہی کیلئے 121.1 ملین روپے کا نقصان قبل از ٹیکس ریکارڈ کیا گیا تھا)۔

ہماری جانب سے گیس سیکٹر میں "16 اور 20" قطر کی 22 کلومیٹر کوئلہ اسٹیل لائن پائپ سپلائی کر چکے ہیں۔ اسی عرصے کے دوران، ہماری جانب سے K-IV گریڈ کراچی بلک واٹر سپلائی پروجیکٹ کیلئے "84 قطر کی 13 کلومیٹر کوئلہ اسٹیل لائن پائپ کی سپلائی بھی دی گئی ہے۔ مذکورہ آمدن میں کسٹمر کی جانب سے سپلائی شدہ ہینچ آر سی کی لاگت شامل نہیں ہے۔ زیر غور سہ ماہی میں قابل ٹیکس آمدن 4,134.2 ملین روپے ہے۔

### آئی آئی ڈی کا شعبہ

### مارکیٹ کا جائزہ

پالیسی ریٹ 22 فیصد کے ساتھ معیشت میں معاشی بد حالی کے باوجود، سہ ماہی کے آخر میں افراط زر 31.4 فیصد کی بلند ترین سطح چھو رہی تھی اور روپے کی قدر میں کمی کے باوجود، مالی سال 2024 کی پہلی سہ ماہی میں ہینچ مارک بازار نے 11 سہ ماہیوں کے بعد دوہرے ہندسے کی نمو کے ساتھ و موثر کارکردگی کا مظاہرہ کیا۔ سرمایہ کاروں کی جانب سے تیزی کار رجحان بنیادی طور پر آئی ایم ایف کے ساتھ اسٹیٹ بینک آف پاکستان کی اس منظوری سے پیدا ہوا جس کے باعث مالی سال 2023 میں پابندیوں سے آزاد ڈالر کی ترسیل آئی ایم ایف اور دیگر دو طرفہ اور کشمیر الطرفہ قرض خواہوں بشمول متحرک کارپوریٹ سیکٹر اور ڈیویڈنڈ کی ادائیگیوں کے مارکیٹ میں موجود ہوں گی (ادائیگیوں کی شرح 42 فیصد بلحاظ آمدن یعنی سال بہ سال کی بنیاد پر 3 فیصد زائد رہی جبکہ کارپوریٹ سیکٹر میں منافع کی شرح نموسال بہ سال کی بنیاد پر 16 فیصد ریکارڈ کی گئی ہے)۔ بلوم برگ کے مطابق بازار کا ہینچ مارک سہ ماہی کی بنیاد پر 12 فیصد کے ساتھ چھٹی بہترین مارکیٹ قرار پایا۔

مالی سال 2024 میں کے ایس ای-100 انڈیکس 41,452.69 پوائنٹس سے شروع ہوا، 4,779.90 پوائنٹس یا 11.53 فیصد کا اضافہ ہوا، جبکہ اس اختتام 46,232.59 پوائنٹس پر 30 ستمبر 2023 کو ہوا۔ رواں سال کی بنیاد پر، مارکیٹ بیچ مارک میں اپنے آغاز یعنی یکم جنوری 2023 سے 6,485.24 پوائنٹس یا 16.32 فیصد کا اضافہ ہوا۔ جون 2021 سے پہلی مرتبہ 2 اگست 2023 کو کے ایس ای-100 انڈیکس نے 48,764.55 کی حد کو چھوا یعنی 30 جون 2023 کو بند ہونے کے بعد سے اس میں 17.64 فیصد کا اضافہ ہوا، تاہم، 41,452.69 پوائنٹس کی حد سے 48,764.69 پوائنٹس کی حد کے مابین انڈیکس اتار چڑھاؤ کا شکار رہا۔

آل مارکیٹ کپٹلا نریشن میں موجودہ 6.88 ٹریلین روپے کی قدر کے ساتھ FYTD اور CYTD کی بنیاد پر بالترتیب 2.96 فیصد اور 5.23 فیصد اضافہ ہوا۔ سہ ماہی بہ سہ ماہی کی بنیاد پر آل مارکیٹ کپٹلا نریشن میں 8.10 فیصد یا 517.10 بلین روپے کا اضافہ ہوا (ڈالر کے حساب سے 7.16 فیصد کا اضافہ ہوا)، بنیادی طور پر روپے / ڈالر کی باہمی قدر میں استحکام رہا۔

## شعبوں کی کارکردگی

زیر غور عرصے اختتامیہ 30 ستمبر 2023 کیلئے پورٹ فولیو کا مجموعی منافع قبل از ٹیکس 308.43 ملین روپے ہے، جبکہ گزشتہ مالی سال کے اسی عرصے کیلئے 3.5 ملین روپے کا نقصان درج کیا گیا تھا، اس لحاظ سے کمپنی کافی حصص منافع 3.97 روپے ہے۔

منافع قبل از ٹیکس میں غیر حقیقی آمدن 22.7 ملین روپے، زیر غور عرصے کے دوران ڈیویڈنڈ کی آمدن 291.2 ملین روپے بشمول ڈیویڈنڈ آمدن آلٹرن انرجی لمیٹڈ اسٹریٹجک سرمایہ کاری 285.11 ملین روپے بھی شامل ہے۔

مالی سال 2024 کی پہلی سہ ماہی کے دوران اس ڈویژن کی ایچ ایف ٹی سرمایہ کاریوں سے اوسط سرمایہ کاری 217.6 ملین روپے کی بنیاد پر 12.44 فیصد مثبت آمدن از سرمایہ کاری ریکارڈ کی گئی ہے، جبکہ کے ایس ای سی - 100 انڈیکس میں 11.53 فیصد کا اضافہ ہوا۔ پہلی سہ ماہی کی ایچ ایف ٹی سرمایہ کاری پر ڈیویڈنڈ آمدن جون کی توں 2.54 فیصد رہی۔

## غیر کیجا بیلنس شیٹ

بتاریخ 30 ستمبر 2023 بیلنس شیٹ کا میزانیہ 10,941.5 ملین روپے ہے، جبکہ 30 جون 2023 کو بیلنس شیٹ کا میزانیہ 9,948.3 ملین روپے تھا۔ مؤرخہ 30 جون 2023 کو فی حصص منقسم قدر 78.8 روپے سے بڑھ کر 83.0 روپے ہو گئی۔

رواں تناسب بڑھ کر 1.34 ہو گیا جو کہ 30 جون 2023 کو 1.28 روپے تھا۔ قرضوں کا تناسب (بشمول قلیل المدت قرضے) مؤرخہ 30 جون 2023 کو 24.9 فیصد سے معمولی کمی کے بعد 24.7 فیصد ہو گیا۔ مالی سال 2024 کی پہلی سہ ماہی کیلئے سود کی ادائیگی کا تناسب 4.2 گنا تھا (مالی سال 2023 کی پہلی سہ ماہی کیلئے یہ تناسب منفی 2.5 تھا)۔

## مجموعی کیجا

### مالیاتی کارکردگی

قبل ازتمویلی لاگت اور ایکویٹی کے ذریعے سرمایہ کاری پر منافع کے حصص، مجموعی طور پر کاروباری منافع 294.6 ملین روپے رہا (153.3 ملین روپے بمطابق پہلی سہ ماہی مالی سال 2023)۔ مالی سال 2024 کی پہلی سہ ماہی کیلئے گروپ کا مجموعی منافع بعد از ٹیکس 279.4 روپے ہے، جبکہ گزشتہ مالی سال کی پہلی سہ ماہی کیلئے 69.7 ملین روپے کا نقصان بعد از ٹیکس ریکارڈ کیا گیا تھا۔ ایسوسی ایٹس بذریعہ ایکویٹی سے حاصل شدہ صافی منافع 199.0 ملین روپے ہے (55.9 ملین روپے بمطابق پہلی سہ ماہی مالی سال 2023)۔

مالی سال 2024 کی پہلی سہ ماہی کیلئے گروپ کی مجموعی آمدن فی حصص 3.60 روپے بنتی ہے، جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران 1.25 روپے کا نقصان فی حصص ریکارڈ کیا گیا تھا۔

### یکجا بیلنس شیٹ

گروپ کی بنیاد پر بیلنس شیٹ کا میزانیہ 12,239.3 ملین روپے ہے، جبکہ 30 جون 2023 کو یہ میزانیہ 11,302.6 ملین روپے تھا۔ مؤرخہ 30 جون 2023 شیئر ہولڈرز کے کل فنڈز 7,426.1 ملین روپے تھا جو کہ اب اضافے کے بعد 7,700.8 ملین روپے تھا۔

### مستقبل کا جائزہ

غیر معمولی سیاسی عدم استحکام اور معاشی چیلنجز کی وجہ سے موجودہ ماحول بدستور مسائل سے بھرپور ہے۔ گزشتہ سہ ماہیوں کے دوران ملک غیر ملکی زر مبادلہ کے ذخائر کے بحران سے دوچار رہا ہے، جس کے باعث ہر سطح پر اقتصادی سرگرمیوں میں سست روی کا مظاہرہ دیکھا گیا۔ اس کے ساتھ رجعت پسندانہ درآمدی سکڑاؤ کی پالیسیاں، ریکارڈ توڑ مہنگائی، بلند شرح سود، اور انتہائی غیر مستحکم شرح مبادلہ نے تمام صنعتوں میں صنعتی ترقی اور صارفین کی طلب کو مزید کم کر دیا ہے۔ انجینئرنگ کا شعبہ خاص طور پر ان مسائل کا شکار ہے، کیونکہ اہم خام مال، استعمال کی اشیاء اور فاضل اشیاء درآمد کی جاتی ہیں۔ یوٹیلیٹیز کے بڑھتے ہوئے اخراجات، تمویلی اخراجات، روزگار کی لاگت میں اضافے، اور اضافی ٹیکسوں نے پیداواری لاگت میں اضافہ کر دیا ہے جس کے نتیجے میں صارفین کی جانب سے طلب میں کمی آئی ہے۔ ان اقدامات نے نقد رقوم کی ترسیل اور کاروبار کی مستعدی کو بھی متاثر کیا ہے۔ توقع ہے کہ یہ مسائل مالی سال 2024 میں بھی جوں کے توں برقرار رہیں گے اور نئے منصوبے جاری کیے جانے کی رفتار کو متاثر کرتے ہوئے، ہمارے ہاتھ میں موجود منصوبوں کو انجام دینے کی ہماری صلاحیت میں رکاوٹ بن سکتے ہیں۔ درآمدی پابندیوں نے ہمارے لئے سپلائی کے معاملات میں کافی مسائل پیدا کر دیئے ہیں اور یہ مسائل آئندہ آرڈرز کی تکمیل میں رسک ثابت ہو سکتے ہیں۔

مشرق وسطیٰ کی موجودہ صورتحال خطے کو تنازعات کی لپیٹ میں لے سکتی ہے اور ہمیں خدشہ ہے کہ قیمتوں میں اتار چڑھاؤ اور کچھ وقت کے لیے سپلائی میں رکاوٹ کے لحاظ سے اس کا گہرا اثر ہو سکتا ہے۔ اجناس کی منڈیوں، خاص طور پر خام اور پیٹر و کیمیکل مصنوعات کی قیمتیں ان حالات کے رد عمل میں پہلے ہی بڑھ چکی ہیں۔

مالی سال 2024 کی دوسری سہ ماہی میں ہم IV-K گریڈ کراچی بلک واٹر سپلائی پروجیکٹ اور مختلف قطر کے پائپوں کے لیے گیس سیکٹر کے سلسلے میں اپنے زیر تکمیل آرڈرز کو توازن پیدا کریں گے، اس کے علاوہ، ہم گیس کمپنی کے لیے سادے پائپ اور صرف کوئنگ کے زیر تکمیل آرڈرز پر بھی اپنی توجہ مرکوز رکھیں گے۔

مزید، گیس کمپنیوں کے ٹینڈرز میں ہمارے نرخ سب سے کم قرار دیئے گئے ہیں اور اس سلسلے میں تصدیق شدہ آرڈرز کا انتظار ہے۔

ہم نے آئل اینڈ گیس اور پانی کے شعبے میں کچھ لائن پائپ کی طلب بھی دیکھی ہے، مقررہ وقت پر ان پروجیکٹس کے خلاف بولی اور ایوارڈز متوقع ہیں اور اگر ہم اپنی بولیوں میں کامیاب ہو جاتے ہیں، تو یہ آرڈرز مالی سال 2025 میں مکمل ہو سکتے ہیں۔

میں اپنی جانب سے تمام شرائط داروں کی سرپرستی کے لیے ان کا شکریہ ادا کرنا چاہتا ہوں اور ان کی مسلسل حمایت کا متنی ہوں۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے۔

ندیم مقبول  
ڈائریکٹر

احسن ایم سلیم  
چیف ایگزیکٹو  
26 اکتوبر 2023



# STREET ART 1970.....

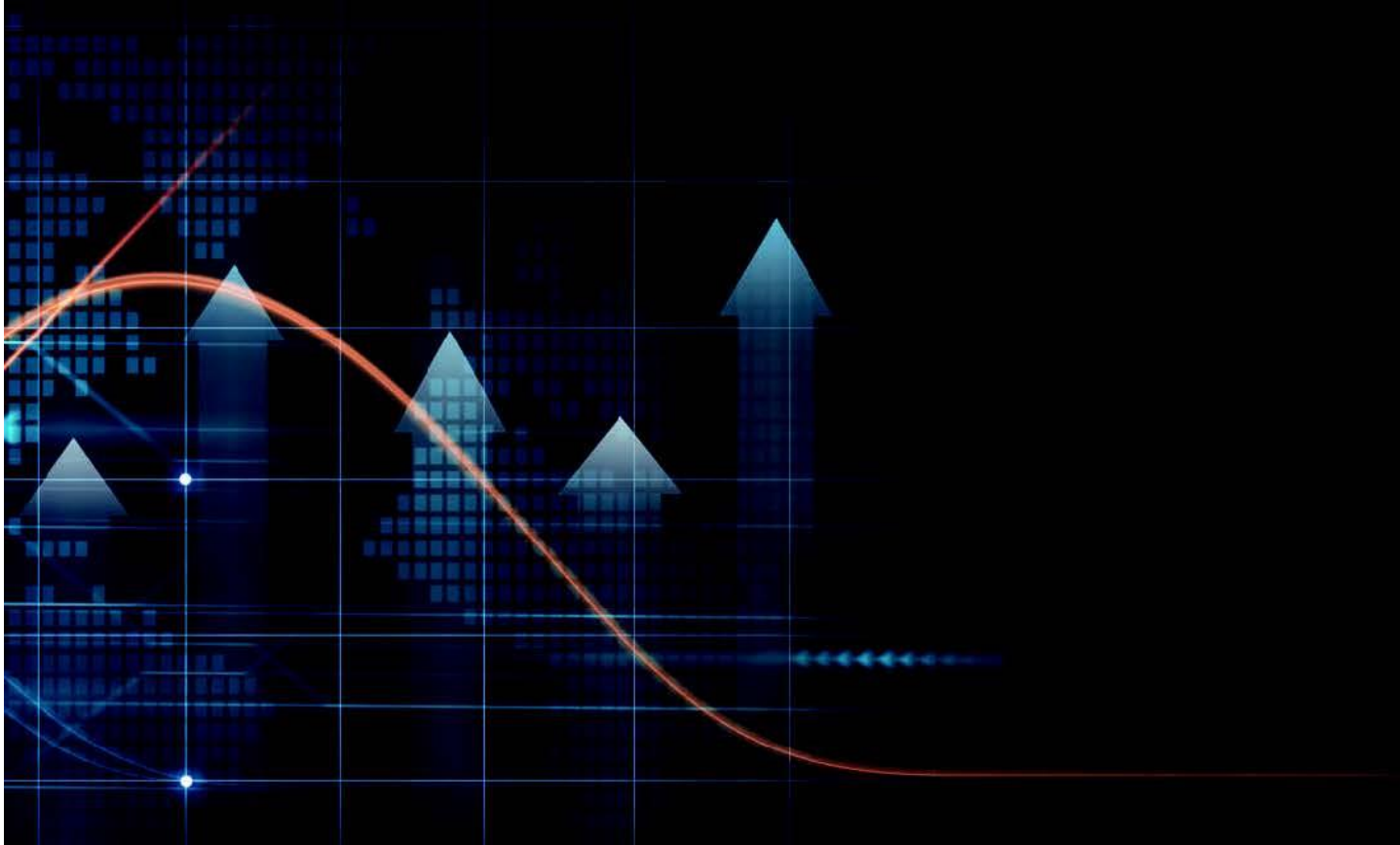
Street art is visual art created in public locations for public visibility. Street art is associated with the terms "independent art", "post-graffiti", "neo-graffiti", and guerrilla art.

## **BANKSY**

Title: Love Is In The Air







**CRESCENT STEEL AND ALLIED PRODUCTS LIMITED**

**UNCONSOLIDATED**

**FINANCIAL STATEMENTS**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Crescent Steel and Allied Products Limited  
Condensed Interim Unconsolidated Statement of Financial Position (Unaudited)  
As at 30 September 2023

| Note                              | Unaudited<br>30 September<br>2023              | Audited<br>30 June<br>2023 |                         |
|-----------------------------------|--|----------------------------|-------------------------|
| ----- (Rupees in '000) -----      |  |                            |                         |
| <b>ASSETS</b>                     |  |                            |                         |
| <b>Non-current assets</b>         |  |                            |                         |
|                                   | Property, plant and equipment                  | 2,397,683                  | 2,437,568               |
|                                   | Right-of-use assets                            | 77,738                     | 82,852                  |
|                                   | Intangible assets                              | 936                        | 1,427                   |
|                                   | Investment properties                          | 54,705                     | 55,030                  |
|                                   | Long term investments                          | 2,544,581                  | 2,544,677               |
|                                   | Long term deposits                             | 27,662                     | 27,143                  |
|                                   | Deferred taxation                              | 849,857                    | 876,358                 |
|                                   |  | <u>5,953,162</u>           | <u>6,025,055</u>        |
| <b>Current assets</b>             |  |                            |                         |
|                                   | Stores, spares and loose tools                 | 342,783                    | 339,707                 |
|                                   | Stock-in-trade                                 | 1,741,293                  | 1,268,967               |
|                                   | Trade debts                                    | 1,326,045                  | 464,043                 |
|                                   | Loans and advances                             | 267,697                    | 285,286                 |
|                                   | Trade deposits and short term prepayments      | 16,474                     | 13,644                  |
|                                   | Short term Investments                         | 323,602                    | 552,382                 |
|                                   | Other receivables                              | 182,193                    | 295,730                 |
|                                   | Taxation - net                                 | 507,709                    | 673,200                 |
|                                   | Cash and bank balances                         | 279,570                    | 30,266                  |
|                                   |  | <u>4,987,366</u>           | <u>3,923,225</u>        |
|                                   | <b>Total assets</b>                            | <u><u>10,940,528</u></u>   | <u><u>9,948,280</u></u> |
| <b>EQUITY</b>                     |  |                            |                         |
| <b>EQUITY AND LIABILITIES</b>     |  |                            |                         |
| <b>Share capital and reserves</b> |  |                            |                         |
|                                   | Authorized capital                             |                            |                         |
|                                   | 100,000,000 ordinary shares of Rs. 10 each     | <u>1,000,000</u>           | <u>1,000,000</u>        |
|                                   | Issued, subscribed and paid-up capital         | 776,325                    | 776,325                 |
|                                   | Capital reserves                               | 1,020,908                  | 1,020,908               |
|                                   | Revenue reserves                               | 4,647,199                  | 4,322,199               |
|                                   |  | <u>6,444,432</u>           | <u>6,119,432</u>        |
| <b>LIABILITIES</b>                |  |                            |                         |
| <b>Non-current liabilities</b>    |  |                            |                         |
|                                   | Long-term loans                                | 424,562                    | 424,748                 |
|                                   | Lease liabilities                              | 58,012                     | 62,424                  |
|                                   | Deferred income                                | 3,702                      | 3,837                   |
|                                   | Deferred liability - staff retirement benefits | 279,790                    | 279,790                 |
|                                   |  | <u>766,066</u>             | <u>770,799</u>          |
| <b>Current liabilities</b>        |  |                            |                         |
|                                   | Trade and other payables                       | 1,679,419                  | 1,389,065               |
|                                   | Unclaimed dividend                             | 16,081                     | 16,081                  |
|                                   | Mark-up accrued                                | 125,906                    | 78,369                  |
|                                   | Short term borrowings                          | 1,624,535                  | 1,289,519               |
|                                   | Current portion of long-term loans             | 270,249                    | 270,228                 |
|                                   | Current portion of lease liabilities           | 13,302                     | 14,249                  |
|                                   | Current portion of deferred income             | 538                        | 538                     |
|                                   |  | <u>3,730,030</u>           | <u>3,058,049</u>        |
|                                   |  | <u>4,496,096</u>           | <u>3,828,848</u>        |
|                                   | Contingencies and commitments                  |                            |                         |
|                                   | <b>Total equity and liabilities</b>            | <u><u>10,940,528</u></u>   | <u><u>9,948,280</u></u> |

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

Crescent Steel and Allied Products Limited  
Condensed Interim Unconsolidated Statement of Profit or Loss and  
Other Comprehensive Income (Unaudited)  
For the first quarter ended 30 September 2023

|  | Note | First quarter ended   |                         |
|--|------|-----------------------|-------------------------|
|  |      | 30 September<br>2023  | 30 September<br>2022    |
| ----- (Rupees in '000) -----   |      |                       |                         |
| Sales  | 16   | 1,589,241             | 1,176,786               |
| Less: sales tax  |      | 242,427               | 171,113                 |
|  |      | <u>1,346,814</u>      | <u>1,005,673</u>        |
| Cost of sales  |      | 1,020,085             | 1,100,320               |
| Gross profit / (loss)  |      | <u>326,729</u>        | <u>(94,647)</u>         |
| Income from investments - net  | 17   | 317,069               | 1,090                   |
|  |      | <u>643,798</u>        | <u>(93,557)</u>         |
| Distribution and selling expenses  |      | 18,018                | 4,600                   |
| Administrative expenses  |      | 80,445                | 78,313                  |
| Other operating expenses   | 18   | 20,697                | 2,928                   |
|  |      | <u>119,160</u>        | <u>85,841</u>           |
|  |      | <u>524,638</u>        | <u>(179,398)</u>        |
| Other income   |      | 18,829                | 28,672                  |
| Operating profit / (loss) before finance costs   |      | <u>543,467</u>        | <u>(150,726)</u>        |
| Finance costs  | 19   | 129,908               | 59,206                  |
| Profit / (loss) before taxation  |      | <u>413,559</u>        | <u>(209,932)</u>        |
| Taxation   |      |                       |                         |
| - current for the period   |      | (61,962)              | (13,339)                |
| - deferred   |      | (26,513)              | 79,540                  |
|  |      | <u>(88,475)</u>       | <u>66,201</u>           |
| Profit / (loss) for the period   |      | <u>325,084</u>        | <u>(143,731)</u>        |
| <b>Other Comprehensive Income</b>  |      |                       |                         |
| <b>Items that will not be reclassified subsequently to profit or loss</b>                                |      |                       |                         |
| Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI) |      | (84)                  | (611)                   |
| <b>Total comprehensive income / (loss) for the period</b>  |      | <u><u>325,000</u></u> | <u><u>(144,342)</u></u> |
| ----- (Rupees) -----   |      |                       |                         |
| Basic and diluted earnings / (loss) per share  | 20   | <u><u>4.19</u></u>    | <u><u>(1.85)</u></u>    |

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive


  
Director

  
Chief Financial Officer

Crescent Steel and Allied Products Limited  
Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)  
For the first quarter ended 30 September 2023

|  | Issued,<br>subscribed<br>and paid-up<br>capital | Capital reserves | Revenue reserves      |                    |                                   | Total revenue<br>reserves | Total            |
|--|---|------------------|-----------------------|--------------------|-----------------------------------|---------------------------|------------------|
|  |   | Share premium    | Fair value<br>reserve | General<br>reserve | Unappropriated<br>(loss) / profit |                           |                  |
| (Rupees in '000)                                 |   |                  |                       |                    |                                   |                           |                  |
| <b>Balance as at 30 June 2022</b>                | <b>776,325</b>                                  | <b>1,020,908</b> | <b>3,913</b>          | <b>3,642,000</b>   | <b>655,265</b>                    | <b>4,301,178</b>          | <b>6,098,411</b> |
| <b>Total comprehensive loss for the period</b>   |   |                  |                       |                    |                                   |                           |                  |
| Loss after taxation for the period               | -   | -                | -                     | -                  | (143,731)                         | (143,731)                 | (143,731)        |
| Other comprehensive loss for the period          | -   | -                | (611)                 | -                  | -                                 | (611)                     | (611)            |
| <b>Total comprehensive loss for the period</b>   | <b>-</b>  | <b>-</b>         | <b>(611)</b>          | <b>-</b>           | <b>(143,731)</b>                  | <b>(144,342)</b>          | <b>(144,342)</b> |
| <b>Balance as at 30 September 2022</b>           | <b>776,325</b>                                  | <b>1,020,908</b> | <b>3,302</b>          | <b>3,642,000</b>   | <b>511,534</b>                    | <b>4,156,836</b>          | <b>5,954,069</b> |
| <b>Balance as at 1 July 2023</b>                 | <b>776,325</b>                                  | <b>1,020,908</b> | <b>1,609</b>          | <b>3,642,000</b>   | <b>678,590</b>                    | <b>4,322,199</b>          | <b>6,119,432</b> |
| <b>Total comprehensive income for the period</b> |   |                  |                       |                    |                                   |                           |                  |
| Profit after taxation for the period             | -   | -                | -                     | -                  | 325,084                           | 325,084                   | 325,084          |
| Other comprehensive loss for the period          | -   | -                | (84)                  | -                  | -                                 | (84)                      | (84)             |
| <b>Total comprehensive income for the period</b> | <b>-</b>  | <b>-</b>         | <b>(84)</b>           | <b>-</b>           | <b>325,084</b>                    | <b>325,000</b>            | <b>325,000</b>   |
| <b>Balance as at 30 September 2023</b>           | <b>776,325</b>                                  | <b>1,020,908</b> | <b>1,525</b>          | <b>3,642,000</b>   | <b>1,003,674</b>                  | <b>4,647,199</b>          | <b>6,444,432</b> |

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.

  
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

Crescent Steel and Allied Products Limited

Condensed Interim Unconsolidated Statement of Cash Flows (Unaudited)

For the first quarter ended 30 September 2023

|   | Note | First quarter ended  |                      |
|---|------|----------------------|----------------------|
|   |      | 30 September<br>2023 | 30 September<br>2022 |
| ----- (Rupees in '000) -----  |      |                      |                      |
| <b>Cash flows from operating activities</b>                                 |      |                      |                      |
| Cash used in operations   | 21   | (628,538)            | (220,110)            |
| Taxes refund received / (paid)  |      | 103,550              | (26,811)             |
| Finance costs paid  |      | (79,592)             | (56,276)             |
| Contribution to gratuity and pension funds                                  |      | (8,037)              | (6,509)              |
| Long term deposits - net  |      | -                    | 452                  |
| Net cash used in operating activities                                       |      | (612,617)            | (309,254)            |
| <b>Cash flows from investing activities</b>                                 |      |                      |                      |
| Capital expenditure   |      | (13,142)             | (50,713)             |
| Proceeds from disposal of operating fixed assets<br>and investment property |      | 1,238                | 7,359                |
| Investments - net   |      | 251,534              | 7,327                |
| Dividend income received  |      | 292,527              | 3,994                |
| Interest income received  |      | 3,051                | 3,327                |
| Net cash generated / (used in) from investing activities                    |      | 535,208              | (28,706)             |
| <b>Cash flows from financing activities</b>                                 |      |                      |                      |
| Repayments of long term loans - net   |      | (165)                | (37,582)             |
| Payments against finance lease obligations                                  |      | (8,138)              | (12,764)             |
| Proceeds from short term loans<br>obtained - net                            |      | 331,982              | 180,567              |
| Dividends paid  |      | -                    | (17)                 |
| Net cash generated from financing activities                                |      | 323,679              | 130,204              |
| Net increase in cash and cash equivalents                                   |      | 246,270              | (207,756)            |
| Cash and cash equivalents at beginning of the period                        |      | (433,388)            | (334,661)            |
| Cash and cash equivalents at end of the period                              | 22   | (187,118)            | (542,417)            |

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

## Crescent Steel and Allied Products Limited

### Notes to the Unconsolidated Financial Statements (Unaudited)

*For the first quarter ended 30 September 2023*

#### **1. THE COMPANY AND ITS OPERATIONS**

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

The Company operates five segments namely Steel, Cotton, Investment and Infrastructure Development (IID), Energy and Hadeed (Billet) as disclosed in note 23 to these condensed interim unconsolidated financial statements.

#### **2. BASIS OF PREPARATION**

**2.1** These condensed interim unconsolidated financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2** These condensed interim unconsolidated financial statements of the Company do not include all of the information required for annual unconsolidated financial statements and should be read in conjunction with the audited annual unconsolidated financial statements of the Company for the year ended 30 June 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last audited annual unconsolidated financial statements.

**2.3** These condensed interim unconsolidated financial statements are presented in Pakistani Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.



### 3. ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the audited annual unconsolidated financial statements for the year ended 30 June 2023.

### 3.2 NEW STANDARDS AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS

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

There were certain amendments to accounting and reporting standards which become mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim unconsolidated financial statements.

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

There is a standard and certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after 1 July 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated financial statements.

### 4. USE OF ESTIMATES AND JUDGEMENTS

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

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

### 5. PROPERTY, PLANT AND EQUIPMENT

|                          | Note | Unaudited<br>30 September<br>2023<br>----- (Rupees in '000) ----- | Audited<br>30 June<br>2023 |
|--------------------------|------|---|----------------------------|
| Operating fixed assets   | 5.1  | 2,111,039   | 1,934,813                  |
| Capital work-in-progress | 5.2  | 286,644   | 502,755                    |
|                          |      | <u>2,397,683</u>  | <u>2,437,568</u>           |

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

|  | Unaudited<br>First quarter ended<br>30 September 2023 |                          | Unaudited<br>First quarter ended<br>30 September 2022 |              |
|--|---|--------------------------|---|--------------|
|  | Additions /<br>Transfers                              | Disposals /<br>Transfers | Additions /<br>Transfers                              | Disposals    |
|  | ----- (Rupees in '000) -----                          |                          |   |              |
| Plant and machinery - owned                        | 224,000   | -                        | 49,091  | -            |
| Electrical / office equipments and<br>installation | -   | -                        | 767   | -            |
| Computers  | -   | 877                      | -   | -            |
| Motor vehicles - owned                             | 5,900   | 2,775                    | 28,829  | 2,121        |
|  | <u>229,900</u>  | <u>3,652</u>             | <u>78,686</u>   | <u>2,121</u> |

5.2 Net additions to capital work-in-progress during the three months period ended 30 September 2023 amounted to Rs. -216.111 million (30 September 2022: Rs. 27.818 million).

## 6. LONG TERM INVESTMENTS

|                                | Note | Unaudited<br>30 September<br>2023<br>----- (Rupees in '000) ----- | Audited<br>30 June<br>2023 |
|--------------------------------|------|---|----------------------------|
| Subsidiary companies - at cost | 6.1  | 705,001   | 705,001                    |
| Associated companies - at cost | 6.2  | 1,286,401   | 1,286,401                  |
| Other long term investments    | 6.3  | 553,179   | 553,275                    |
|                                |      | <u>2,544,581</u>  | <u>2,544,677</u>           |

### 6.1 Subsidiary companies - at cost

| Unaudited<br>30 September<br>2023<br>(Number of shares) | Audited<br>30 June<br>2023 | Unquoted  | Note  | Unaudited<br>30 September<br>2023<br>----- (Rupees in '000) ----- | Audited<br>30 June<br>2023 |
|---|----------------------------|---|-------|---|----------------------------|
| 70,500,000  | 70,500,000                 | CS Capital (Private) Limited<br>(Chief Executive Officer -<br>Ms. Hajerah Ahsan Saleem)           | 6.1.1 | 705,000   | 705,000                    |
| 2   |                            | 2 Crescent Continental Gas Pipelines<br>Limited (US \$ 1 each)                                    | 6.1.2 | -   | -                          |
| 100   | 100                        | Solution de Energy (Private) Limited<br>(Chief Executive Officer -<br>Mr. Muhammad Saad Thaniana) | 6.1.3 | 1   | 1                          |
|   |                            |   |       | <u>705,001</u>  | <u>705,001</u>             |

- 6.1.1** This represents the Company's investment in 100% ordinary shares of CS Capital (Private) Limited. The Company acquired CS Capital (Private) Limited on 26 September 2011.
- 6.1.2** This represents investment in subsidiary of Rs. 90 only. The subsidiary company has not commenced operation and accordingly no financial statements have been prepared.
- 6.1.3** This represents the Company's investment in 100% ordinary shares of Solution de Energy (Private) Limited that was acquired through amalgamation on 30 June 2019.

**6.2 Associated companies - at cost**

| <b>Unaudited<br/>30 September<br/>2023<br/>(Number of shares)</b> | <b>Audited<br/>30 June<br/>2023</b> | <b>Note</b>   | <b>Unaudited<br/>30 September<br/>2023<br/>----- (Rupees in '000) -----</b> | <b>Audited<br/>30 June<br/>2023</b> |         |
|---|-------------------------------------|---|---|-------------------------------------|---------|
|   |                                     |   |   |                                     |         |
|   |                                     | <b>Quoted</b>   |   |                                     |         |
| <b>60,663,775</b>   | 60,663,775                          | Altern Energy Limited<br>(Chief Executive Officer -<br>Mr. Umer Shehzad Sheikh) | <b>6.2.1</b>  | <b>595,293</b>                      | 595,293 |
| <b>27,409,075</b>   | 27,409,075                          | Shakarganj Limited<br>(Chief Executive Officer -<br>Mr. Muhammad Saif Ullah)    | <b>6.2.2</b>  | <b>691,108</b>                      | 691,108 |
|   |                                     |   | <b>1,286,401</b>  | <b>1,286,401</b>                    |         |

- 6.2.1** The Company holds 16.69% (30 June 2023: 16.69%) shareholding in Altern Energy Limited and has representation on its Board of Directors. The Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.
- 6.2.2** The Company holds 21.93% (30 June 2023: 21.93%) shareholding in Shakarganj Limited and there is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per requirement of IAS 28 'Investments in Associates', therefore it has been treated as an associate as per IAS 28.
- 6.2.3** The fair value of investments in associated companies as at 30 September 2023 is Rs. 1,951.984 million (30 June 2023: Rs. 2,079.447 million).

**6.3 Other long term investments**

| <b>Unaudited<br/>30 September<br/>2023<br/>----- (Rupees in '000) -----</b> | <b>Audited<br/>30 June<br/>2023</b> |                |
|---|-------------------------------------|----------------|
|   |                                     |                |
| Fair value through other comprehensive income (FVOCI)                       | 7,199                               | 7,295          |
| Fair value through profit or loss (FVTPL)                                   | <b>545,980</b>                      | 545,980        |
|   | <b>553,179</b>                      | <b>553,275</b> |

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

- 6.3.2** This includes investments in Crescent Industrial Chemicals Limited and Crescent Bahuman Limited amounting to Rs. 10.470 million and Rs. 24.037 million (30 June 2023: Rs. 10.470 million and Rs. 24.037 million), respectively, which had been fully charged to profit or loss in earlier periods.
- 6.3.3** This also includes investment in Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited amounting to Rs. 341.764 million and Rs. 204.216 million, respectively.

**7. STOCK-IN-TRADE**

|                                   | <b>Unaudited<br/>30 September<br/>2023</b> | Audited<br>30 June<br>2023 |
|-----------------------------------|--|----------------------------|
|                                   | ----- (Rupees in '000) -----               |                            |
| <b>Raw materials</b>              |  |                            |
| Hot rolled steel coils (HR Coils) | 519,125                                    | 284,762                    |
| Coating materials                 | 344,212                                    | 328,884                    |
| Steel scrap                       | 11,999                                     | 11,999                     |
| Others                            | 302,890                                    | 331,829                    |
| Stock-in-transit                  | 470,867                                    | 129,198                    |
|                                   | <u>1,638,983</u>                           | <u>1,086,672</u>           |
| Work-in-process                   | 55,397                                     | 70,993                     |
| Finished goods - net              | 143,897                                    | 111,099                    |
| Scrap / cotton waste              | (96,984)                                   | 203                        |
|                                   | <u>102,310</u>                             | <u>182,295</u>             |
|                                   | <u>1,741,293</u>                           | <u>1,268,967</u>           |

- 7.1** Stock in trade as at 30 September 2023 includes certain items valued at net realisable value (NRV). Charge for the period in respect of stock written down to NRV was amounting to Rs. Nil (30 June 2023: Reversal of Rs. 7.414 million) has been recognized in cost of sales.

**8. TRADE DEBTS**

|                                | <b>Unaudited<br/>30 September<br/>2023</b> | Audited<br>30 June<br>2023 |
|--------------------------------|--|----------------------------|
|                                | ----- (Rupees in '000) -----               |                            |
| <b>Secured</b>                 |  |                            |
| Considered good                | 512,173                                    | -                          |
| <b>Unsecured</b>               |  |                            |
| Considered good                | 813,872                                    | 464,043                    |
| Considered doubtful            | 18,401                                     | 18,401                     |
|                                | <u>832,273</u>                             | <u>482,444</u>             |
| Impairment loss on trade debts | (18,401)                                   | (18,401)                   |
|                                | <u>1,326,045</u>                           | <u>464,043</u>             |

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

|                       |               |               |
|-----------------------|---------------|---------------|
| Pak Elecktron Limited | <u>57,162</u> | <u>40,101</u> |
|-----------------------|---------------|---------------|

**9. LOANS AND ADVANCES**

**Loan to related parties - considered good**

|                      |         |         |
|----------------------|---------|---------|
| Loan to subsidiaries | 115,114 | 111,914 |
|----------------------|---------|---------|

**Advances - considered good**

|                                  |         |         |
|----------------------------------|---------|---------|
| Staff                            | 1,182   | 830     |
| Suppliers for goods and services | 151,307 | 170,592 |
| Advances to others               | 66      | 1,950   |

**Advances - considered doubtful**

|                                  |                |                |
|----------------------------------|----------------|----------------|
| Suppliers for goods and services | 47             | 47             |
| Provision for doubtful advances  | (47)           | (47)           |
|                                  | <u>267,669</u> | <u>285,286</u> |

|              |   | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|--------------|---|-----------------------------------|----------------------------|
| <b>9.1</b>   | These include loan due from:  | ----- (Rupees in '000) -----      |                            |
|              | Solution de Energy (Private) Limited  | 9.1.1 <u>115,114</u>              | <u>111,914</u>             |
| <b>9.1.1</b> | The Company has provided short term interest free loan to the wholly owned subsidiary Company in order to meet its requirements for the purposes of feasibility, legal approvals and other related activities in respect of its project of 100 MW Solar Power Plant in Solar Power Park being established by the Government of Punjab in the Cholistan desert. The loan is repayable on demand. |                                   |                            |
| <b>10.</b>   | <b>SHORT TERM INVESTMENTS</b>   |                                   |                            |
|              |   | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|              | Note  | ----- (Rupees in '000) -----      |                            |
|              | At amortised cost   | 10.1 <u>84,360</u>                | 84,360                     |
|              | At fair value through profit or loss (FVTPL)  | 10.2 <u>239,242</u>               | 468,022                    |
|              |   | <u>323,602</u>                    | <u>552,382</u>             |
| <b>10.1</b>  | This represents investment in term deposit receipt carrying markup of 15.75% maturing on March 26, 2024.  |                                   |                            |
| <b>10.2</b>  | These comprise investments in ordinary shares of listed companies and units of mutual funds. These also include investments in Jubilee Spinning and Weaving Mills Limited and Innovative Investment Bank Limited, which had been fully provided for as the break-up value of their shares was Rs. Nil per share (30 June 2023: Rs. Nil per share).  |                                   |                            |
| <b>10.3</b>  | Investments having an aggregate market value of Rs. 1,113.512 million (30 June 2023: Rs. 961.586 million) have been pledged with financial institutions as security against financing facilities (refer note 14.5) out of which amount of Rs. 932.095 million (30 June 2023: Rs. 798.544 million) relates to long term investments.   |                                   |                            |
| <b>11.</b>   | <b>OTHER RECEIVABLES</b>  |                                   |                            |
|              |   | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|              | Note  | ----- (Rupees in '000) -----      |                            |
|              | Dividend receivable   | 1,571                             | 886                        |
|              | Provision there against   | <u>(886)</u>                      | <u>(886)</u>               |
|              |   | 685                               | -                          |
|              | Receivable against sale of investments  | -                                 | -                          |
|              | Claim receivable  | 461                               | 461                        |
|              | Due from related parties  | 11.1 <u>6,723</u>                 | 5,999                      |
|              | Sales tax refundable  | <u>78,386</u>                     | 106,973                    |
|              | Margin on letter of credit  | -                                 | 4,137                      |
|              | Margin on letter of guarantee   | <u>95,345</u>                     | 175,345                    |
|              | Receivable from staff retirement benefits funds   | -                                 | -                          |
|              | Others  | <u>593</u>                        | 2,815                      |
|              |   | <u>182,193</u>                    | <u>295,730</u>             |
| <b>11.1</b>  | <b>Due from related parties</b>   |                                   |                            |
|              | CS Capital (Private) Limited  | 1,559                             | 1,079                      |
|              | The Crescent Textile Mills Limited  | 301                               | 249                        |
|              | Premier Insurance Limited   | -                                 | 1                          |
|              | Shakarganj Food Products Limited  | 4,263                             | 4,070                      |
|              | Crescent Socks (Private) Limited  | 600                               | 600                        |
|              |   | <u>6,723</u>                      | <u>5,999</u>               |

|   | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|---|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----                          |      |                                   |                            |
| <b>12. LONG TERM LOANS</b>                            |      |                                   |                            |
| <b>Secured - Under shariah arrangement</b>            |      |                                   |                            |
| Long Term Sukuk Certificates                          | 12.1 | <b>666,667</b>                    | 666,667                    |
| Less: Transaction cost                                |      | <b>(3,776)</b>                    | (4,241)                    |
|   |      | <b>662,891</b>                    | <b>662,426</b>             |
| <b>Secured - Under non-shariah arrangement</b>        |      |                                   |                            |
| JS Bank Limited                                       | 12.2 | <b>31,920</b>                     | 32,550                     |
|   |      | <b>31,920</b>                     | 694,976                    |
| Less: Current portion shown under current liabilities |      | <b>270,249</b>                    | 270,228                    |
|   |      | <b>424,562</b>                    | <b>424,748</b>             |

**12.1** During the year ended 30 June 2023, the Company had issued 8,000 Unlisted, privately placed & secured Sukuk certificates (SUKUK Al-Istisna) on 11 October 2022, having face value of Rs. 100,000 amounting to PKR 800. Aggregate amount of Rs. 800 million in connection with issuance of Sukuk Al-Istisna were received on 11 October 2022. The Sukuk certificates carry profit at the rate of 6-months KIBOR + 2% with semi-annual rental payments having tenure of three years from the issue date. Principal repayment in installment has commenced from April 2023.

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

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

The effective interest on such arrangement was 8.49% (30 June 2023: 8.49%) per annum.

| 13. TRADE AND OTHER PAYABLES              | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|---|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----              |      |                                   |                            |
| Trade creditors                           |      | 190,166                           | 44,058                     |
| Bills payable                             |      | 445,586                           | 38                         |
| Commission payable                        |      | 522                               | 522                        |
| Accrued liabilities                       |      | 288,601                           | 594,735                    |
| Advances from customers                   |      | 319,743                           | 350,464                    |
| Infrastructure fee, sales tax and damages |      | 299,054                           | 287,643                    |
| Due to related parties                    | 13.1 | 21,117                            | 19,534                     |
| Payable to provident fund                 |      | 2,255                             | 127                        |
| Payable to staff retirement benefit funds |      | 2,789                             | 2,823                      |
| Retention money                           |      | 1,536                             | 2,980                      |
| Withholding tax payable                   |      | 3,532                             | 6,892                      |
| Workers' Profit Participation Fund        |      | 28,026                            | 18,529                     |
| Workers' Welfare Fund                     |      | 8,730                             | 7,640                      |
| Others                                    |      | 67,762                            | 53,080                     |
|   |      | <u>1,679,419</u>                  | <u>1,389,065</u>           |

#### 13.1 Due to related parties

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Premier Insurance Company Limited | 39            | -             |
| Shakarganj Limited                | 21,078        | 19,534        |
|                                   | <u>21,117</u> | <u>19,534</u> |

#### 14. SHORT TERM BORROWINGS

##### Secured from banking companies

|   |      |                  |                  |
|---|------|------------------|------------------|
| Running finances under mark-up arrangements | 14.1 | 466,688          | 463,654          |
| Short term loans                            | 14.2 | 1,157,847        | 825,865          |
|   |      | <u>1,624,535</u> | <u>1,289,519</u> |

**14.1** Running finances facility / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 1,350 million (30 June 2023: Rs. 1,150 million) out of which Rs. 300 million (30 June 2023: Rs. 300 million), Rs. 100 million (30 June 2023: Rs. 100 million) and Rs. 300 million (30 June 2023: Rs. 300 million) are interchangeable with letters of credit, letters of guarantee facility and short term loans, respectively. During the period, the mark-up on such arrangements ranged from 22.42% to 24.91% (30 September 2022: 15.91% to 17.92%) per annum.

**14.2** Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 3,850 million (30 June 2023: Rs. 3,950 million) out of which Rs. 3,000 million (30 June 2023: Rs. 3,150 million), Rs. 205 million (30 June 2023: Rs. 205 million) and Rs. 350 million (30 June 2023: Rs. 350 million) are interchangeable with letters of credit, letters of guarantee and short term running finance, respectively. During the period, the mark-up on such arrangements ranged from 22.65% to 25.23% (30 September 2022: 15.91% to 17.92%) per annum.

- 14.3** The facilities for opening letters of credit amounted to Rs. 4,650 million (30 June 2023: Rs. 4,750 million) out of which Rs. 300 million (30 June 2023: Rs. 300 million), Rs. 3,000 million (30 June 2023: Rs. 3,150 million) and Rs. 205 million (30 June 2023: Rs. 205 million) are interchangeable with short term running finance, short term loans and letters of guarantee respectively as mentioned in notes 14.1 and 14.2 above. The facility for letters of guarantee as at 30 September 2023 amounted to Rs. 2,148.6 million (30 June 2023: Rs. 2,336.6 million). Amounts unutilized for letters of credit and guarantees as at 30 September 2023 were Rs. 3,698.0 million and Rs. 262.15 million (30 June 2023: Rs. 4,251.00 million and Rs. 380.15 million), respectively.
- 14.4** These includes an amount of Rs. 507 million funded facilities (30 June 2023: Rs. 438 million outstanding against Islamic mode of financing. The Company is currently availing Islamic mode of financing from the Al Baraka Bank, Dubai Islamic Bank and Bank Islami Pakistan Limited. Funded and Non funded facilities availed include letters of credit, bank guarantees, Wakala, Morabaha, Istisna and Ijarah financing.
- 14.5** The above facilities are expiring on various dates with maturity periods upto 31 August 2024. These facilities are secured by way of mortgage of land and building, hypothecation of plant and machinery, stock-in-trade, trade debts and other current assets, pledge of shares (refer note 11.2) pledge of cotton and lien over import / export document. Further, these facilities (refer notes 15.1 to 15.3) are also secured against pledged of shares owned by the Subsidiary Company i.e. CS Capital (Private) Limited.
- 14.6** During the period, Company has settled commercial papers issued to non-banking finance companies.

## **15. CONTINGENCIES AND COMMITMENTS**

### **15.1 Contingencies**

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

### **15.2 Commitments**

- 15.2.1** During the year ended 30 June 2020, Bank Islami Pakistan Limited (BIPL) deferred the principal payments of rentals for one year as per the directives issued by State Bank of Pakistan vide its circular no. 12 dated 26 March 2020. As at 30 September 2023, amount of lease rentals outstanding under the Ijarah financing arrangement is Rs. 0 million (30 June 2023: Rs. 87.98 million), which was payable in average quarterly installments of Rs. 22.897 million (30 June 2023: Rs. 22.867 million).
- 15.2.2** Aggregate amount of guarantees issued by banks on behalf of the Company against various contracts aggregated to Rs.1,886.45 million (30 June 2023: Rs. 1,654 million). These include guarantees issued by Islamic banks amounting to Rs. 251 million (30 June 2023: Rs. 153.591 million).
- 15.2.2** Commitments in respect of capital expenditure contracted for as at 30 September 2023 amounted to Rs. 34.659 million (30 June 2023: Rs. 34.659 million).
- 15.2.3** Commitments under letters of credit (L/C) as at 30 September 2023 amounted to Rs. 952 million (30 June 2023: 498.92 million).



**16. SALES**

|                          |      | <b>Unaudited</b>             |                     |
|--------------------------|------|------------------------------|---------------------|
|                          |      | <b>First quarter ended</b>   |                     |
|                          |      | <b>30 September</b>          | <b>30 September</b> |
|                          |      | <b>2023</b>                  | <b>2022</b>         |
| Note                     |      | ----- (Rupees in '000) ----- |                     |
| <b>Local sales</b>       |      |                              |                     |
| Bare pipes               |      | -                            | 498,106             |
| Pre coated pipes         | 16.1 | <b>1,529,454</b>             | 7,654               |
| Cotton yarn / raw cotton |      | -                            | 591,743             |
| Others                   |      | <b>44,382</b>                | 64,533              |
| Scrap / waste            |      | <b>15,405</b>                | 14,750              |
|                          |      | <b>1,589,241</b>             | 1,176,786           |
| Sales tax                |      | <b>(242,427)</b>             | (171,113)           |
|                          |      | <b>1,346,814</b>             | 1,005,673           |

**16.1** client.

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

**17. INCOME FROM INVESTMENTS - NET**

|   |      | <b>Unaudited</b>             |                     |
|---|------|------------------------------|---------------------|
|   |      | <b>First quarter ended</b>   |                     |
|   |      | <b>30 September</b>          | <b>30 September</b> |
|   |      | <b>2023</b>                  | <b>2022</b>         |
| Note  |      | ----- (Rupees in '000) ----- |                     |
| Dividend income                                     | 17.1 | <b>293,212</b>               | 5,145               |
| Gain on sale of FVTPL investments - net             | 17.2 | -                            | 2,562               |
| Unrealized gain / (loss) on FVTPL investments - net | 17.3 | <b>22,742</b>                | (7,650)             |
| Rent from investment properties                     | 17.5 | <b>1,115</b>                 | 1,033               |
|   |      | <b>317,069</b>               | 1,090               |

**17.1** This includes Rs. 5.523 million earned on investments in Shariah Compliant Investee Companies.

**17.2** This includes gain of Rs. Nil on investments in Shariah Compliant Investee Companies.

**17.3** This includes gain of Rs. 20.440 million on investments in Shariah Compliant Investee Companies.

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

**17.5** Direct operating expenses incurred against rental income from investment properties amounted to Rs. 0.325 million (30 September 2022: Rs. 0.371 million).

**18. OTHER OPERATING EXPENSES****Unaudited  
First quarter ended****30 September  
2023**      **30 September  
2022**

----- (Rupees in '000) -----

|                                     |               |              |
|-------------------------------------|---------------|--------------|
| Exchange loss                       | (1)           | 2,928        |
| Provision for:                      |               |              |
| -Workers' Profit Participation Fund | 9,498         | -            |
| -Workers' Welfare Fund              | 1,090         | -            |
| -Stock-in-trade                     | 10,110        | -            |
|                                     | <u>20,697</u> | <u>2,928</u> |

**19. FINANCE COSTS**

|  |                |               |
|--|----------------|---------------|
| Profit on short term loans - Shariah arrangement | 11,853         | 10,327        |
| Interest on - Non - Shariah arrangement          |                |               |
| - finance lease obligations                      | 2,779          | 2,147         |
| - long term loans                                | 41,911         | 4,104         |
| - running finances / short term loans            | 72,622         | 41,817        |
| Bank charges                                     | 743            | 811           |
|  | <u>129,908</u> | <u>59,206</u> |

**20. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE**

|                                |                |                  |
|--------------------------------|----------------|------------------|
| Profit / (loss) for the period | <u>325,084</u> | <u>(143,731)</u> |
|--------------------------------|----------------|------------------|

----- (Number of shares) -----

|  |                   |                   |
|--|-------------------|-------------------|
| Weighted average number of ordinary<br>shares in issue during the period | <u>77,632,491</u> | <u>77,632,491</u> |
|--|-------------------|-------------------|

----- (Rupees) -----

|   |             |               |
|---|-------------|---------------|
| Basic and diluted earnings / (loss) per share | <u>4.19</u> | <u>(1.85)</u> |
|---|-------------|---------------|

21. CASH USED IN OPERATIONS

|   | Note | Unaudited<br>First quarter ended |                         |
|---|------|----------------------------------|-------------------------|
|   |      | 30 September<br>2023             | 30 September<br>2022    |
|   |      | ----- (Rupees in '000) -----     |                         |
| Profit / (loss) before taxation   |      | 413,559                          | (209,932)               |
| <b>Adjustments for non cash charges and other items</b>                               |      |                                  |                         |
| Depreciation on operating fixed assets, right-of-use assets and investment properties |      | 58,465                           | 56,141                  |
| Amortisation of intangible assets   |      | 492                              | 542                     |
| Charge for the period on staff retirement benefit funds                               |      | 8,037                            | 6,498                   |
| Dividend income   |      | (293,212)                        | (5,145)                 |
| Unrealized (gain) / loss on FVTPL investments - net                                   |      | (22,742)                         | 7,650                   |
| (Gain) / loss on sale of FVTPL investments - net                                      |      | -                                | (2,562)                 |
| Provision for Workers' Welfare Fund   |      | 1,090                            | -                       |
| Provision for Workers' Profit Participation Fund                                      |      | 9,498                            | -                       |
| Return on deposits  |      | (3,051)                          | (4,260)                 |
| Gain on disposal of operating fixed assets and investment property                    |      | (587)                            | (5,237)                 |
| Deferred income   |      | (135)                            | (1,378)                 |
| Unwinding of discount on long term deposit  |      | (519)                            | (689)                   |
| Finance costs   |      | 129,908                          | 59,206                  |
| Working capital changes   | 21.1 | <u>(929,341)</u>                 | <u>(120,944)</u>        |
|   |      | <u><b>(628,538)</b></u>          | <u><b>(220,110)</b></u> |

21.1 Working capital changes

|   |  |                           |                         |
|---|--|---------------------------|-------------------------|
| Increase in current assets                |  |                           |                         |
| Stores, spares and loose tools            |  | (3,076)                   | 184                     |
| Stock-in-trade                            |  | (472,326)                 | (229,548)               |
| Trade debts                               |  | (862,002)                 | 15,157                  |
| Loans and advances                        |  | 17,589                    | (41,281)                |
| Trade deposits and short term prepayments |  | (2,830)                   | 5,795                   |
| Other receivables                         |  | <u>113,537</u>            | <u>(271,432)</u>        |
|   |  | <u><b>(1,209,108)</b></u> | <u><b>(521,125)</b></u> |
| Increase in current liabilities           |  |                           |                         |
| Trade and other payables                  |  | <u>279,767</u>            | <u>400,181</u>          |
|   |  | <u><b>(929,341)</b></u>   | <u><b>(120,944)</b></u> |

22. CASH AND CASH EQUIVALENTS

|   |  |                         |                         |
|---|--|-------------------------|-------------------------|
| Running finances under mark-up arrangements |  | (466,688)               | (749,729)               |
| Term deposit receipt                        |  | -                       | 120,000                 |
| Cash and bank balances                      |  | <u>279,570</u>          | <u>87,312</u>           |
|   |  | <u><b>(187,118)</b></u> | <u><b>(542,417)</b></u> |

23. SEGMENT REPORTING

23.1 Reportable segments

The Company's reportable segments are as follows:

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

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

## 23.2 Segment revenues and results

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

For the first quarter ended  
30 September 2023

|   | Unaudited        |                 |                 |                         |                |   | Total          |
|---|------------------|-----------------|-----------------|-------------------------|----------------|---|----------------|
|   | Steel segment    | Cotton segment  | Energy segment  | Hadeed (Billet) segment | IID segment    | Inter-segments eliminations / adjustments |                |
|   | (Rupees in '000) |                 |                 |                         |                |   |                |
| Sales - net   | 1,346,814        | -               | -               | -                       | -              | -   | 1,346,814      |
| Cost of sales   | 972,468          | 18,186          | 15,275          | 14,156                  | -              | -   | 1,020,085      |
| <b>Gross profit / (loss)</b>                          | <b>374,346</b>   | <b>(18,186)</b> | <b>(15,275)</b> | <b>(14,156)</b>         | <b>-</b>       | <b>-</b>                                  | <b>326,729</b> |
| Income from investments - net                         | 3,754            | -               | -               | -                       | 313,315        | -   | 317,069        |
|   | 378,100          | (18,186)        | (15,275)        | (14,156)                | 313,315        | -   | 643,798        |
| Distribution and selling expenses                     | 16,659           | 948             | -               | 411                     | -              | -   | 18,018         |
| Administrative expenses                               | 60,018           | 10,806          | 989             | 3,750                   | 4,882          | -   | 80,445         |
| Other expenses  | 10,587           | 10,110          | -               | -                       | -              | -   | 20,697         |
|   | 87,264           | 21,864          | 989             | 4,161                   | 4,882          | -   | 119,160        |
|   | 290,836          | (40,050)        | (16,264)        | (18,317)                | 308,433        | -   | 524,638        |
| Other income  | 17,166           | 1,663           | -               | -                       | -              | -   | 18,829         |
| <b>Operating profit / (loss) before finance costs</b> | <b>308,002</b>   | <b>(38,387)</b> | <b>(16,264)</b> | <b>(18,317)</b>         | <b>308,433</b> | <b>-</b>                                  | <b>543,467</b> |
| Finance costs   | 127,454          | 2,270           | -               | 154                     | 30             | -   | 129,908        |
| <b>Profit / (loss) before taxation</b>                | <b>180,548</b>   | <b>(40,657)</b> | <b>(16,264)</b> | <b>(18,471)</b>         | <b>308,403</b> | <b>-</b>                                  | <b>413,559</b> |
| Taxation  |                  |                 |                 |                         |                |   | 88,475         |
| <b>Profit for the period</b>                          |                  |                 |                 |                         |                |   | <b>325,084</b> |

For the first quarter ended  
30 September 2022

|  | Unaudited        |                 |                 |                         |                |   | Total            |
|--|------------------|-----------------|-----------------|-------------------------|----------------|---|------------------|
|  | Steel segment    | Cotton segment  | Energy segment  | Hadeed (Billet) segment | IID segment    | Inter-segments eliminations / adjustments |                  |
|  | (Rupees in '000) |                 |                 |                         |                |   |                  |
| Sales - net                                | 487,304          | 509,968         | -               | 8,401                   | -              | -   | 1,005,673        |
| Cost of sales                              | 518,185          | 540,977         | 15,541          | 25,617                  | -              | -   | 1,100,320        |
| Gross loss                                 | (30,881)         | (31,009)        | (15,541)        | (17,216)                | -              | -   | (94,647)         |
| Income from investments - net              | -                | -               | -               | -                       | 1,090          | -   | 1,090            |
|  | (30,881)         | (31,009)        | (15,541)        | (17,216)                | 1,090          | -   | (93,557)         |
| Distribution and selling expenses          | 3,381            | 894             | -               | 325                     | -              | -   | 4,600            |
| Administrative expenses                    | 58,435           | 9,908           | 765             | 4,636                   | 4,569          | -   | 78,313           |
| Other expenses                             | -                | -               | -               | 2,928                   | -              | -   | 2,928            |
|  | 61,816           | 10,802          | 765             | 7,889                   | 4,569          | -   | 85,841           |
|  | (92,697)         | (41,811)        | (16,306)        | (25,105)                | (3,479)        | -   | (179,398)        |
| Other income                               | 21,013           | 7,659           | -               | -                       | -              | -   | 28,672           |
| <b>Operating loss before finance costs</b> | <b>(71,684)</b>  | <b>(34,152)</b> | <b>(16,306)</b> | <b>(25,105)</b>         | <b>(3,479)</b> | <b>-</b>                                  | <b>(150,726)</b> |
| Finance costs                              | 49,389           | 6,657           | -               | 3,160                   | -              | -   | 59,206           |
| <b>Loss before taxation</b>                | <b>(121,073)</b> | <b>(40,809)</b> | <b>(16,306)</b> | <b>(28,265)</b>         | <b>(3,479)</b> | <b>-</b>                                  | <b>(209,932)</b> |
| Taxation                                   |                  |                 |                 |                         |                |   | (66,201)         |
| <b>Loss for the period</b>                 |                  |                 |                 |                         |                |   | <b>(143,731)</b> |

23.2.1 Revenue reported above represents revenue generated from external customers and inter-segment sales of electricity by Energy Segment to Hadeed (Billet) Segment of Rs. Nil million (30 September 2022: Rs. 66.237 million) and Rs. Nil million (30 September 2022: Rs. Nil) of scrap sales by Steel Segment to Hadeed (Billet) Segment.

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

## 23.3 Revenue from major products and services

The analysis of the Company's revenue from external customers for major products and services is given in note 16 to these unconsolidated financial statements.

#### 23.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 1,332.826 million (30 September 2022: Rs. 419.154 million) of total Steel segment revenue of Rs. 1,346.814 million (30 September 2022: Rs. 487.304 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. Nil million (30 September 2022: Rs. Nil) of total Cotton segment revenue of Rs. Nil million (30 September 2022: Rs. 509.968 million). Revenue from major customers of Energy segment represents an aggregate amount of Rs. Nil (30 September 2022: Rs. Nil) of total Energy segment revenue of Rs. Nil million (30 September 2022: Rs. Nil). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. Nil million (30 September 2022: Rs. Nil) of total Hadeed (Billet) segment revenue of Rs. Nil million (30 September 2022: Rs. 08.401 million).

#### 23.5 Geographical information

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

23.5.2 All non-current assets of the Company as at 30 September 2023 and 30 June 2023 were located and operating in Pakistan.

#### 23.6 Segment assets and liabilities

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

|   | Steel segment | Cotton segment | Energy segment | Hadeed (Billet) segment | IID segment | Total                    |
|---|---------------|----------------|----------------|-------------------------|-------------|--------------------------|
| ----- (Rupees in '000) -----  |               |                |                |                         |             |                          |
| <b>As at 30 September 2023 - (Unaudited)</b>                            |               |                |                |                         |             |                          |
| Segment assets for reportable segments                                  | 4,554,528     | 332,329        | 459,085        | 668,353                 | 2,857,927   | <b>8,872,222</b>         |
| Unallocated corporate assets  |               |                |                |                         |             | <b>2,068,306</b>         |
| Total assets as per unconsolidated statement of financial position      |               |                |                |                         |             | <u><b>10,940,528</b></u> |
| Segment liabilities for reportable segments                             | 1,703,355     | 128,447        | 35,812         | 80,432                  | 11,359      | <b>1,959,405</b>         |
| Unallocated corporate liabilities and deferred income                   |               |                |                |                         |             | <b>2,536,691</b>         |
| Total liabilities as per unconsolidated statement of financial position |               |                |                |                         |             | <u><b>4,496,096</b></u>  |
| <b>As at 30 June 2023 - (Audited)</b>                                   |               |                |                |                         |             |                          |
| Segment assets for reportable segments                                  | 3,685,849     | 230,380        | 474,161        | 677,091                 | 2,836,318   | 7,903,799                |
| Unallocated corporate assets  |               |                |                |                         |             | 2,044,481                |
| Total assets as per unconsolidated statement of financial position      |               |                |                |                         |             | <u>9,948,280</u>         |
| Segment liabilities for reportable segments                             | 1,417,450     | 130,373        | 35,812         | 78,752                  | 11,333      | 1,673,720                |
| Unallocated corporate liabilities and deferred income                   |               |                |                |                         |             | 2,155,128                |
| Total liabilities as per unconsolidated statement of financial position |               |                |                |                         |             | <u>3,828,848</u>         |

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

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

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

#### 23.7 Other segment information

|   | Unaudited      |                |                 |                         |                  | Total            |
|---|----------------|----------------|-----------------|-------------------------|------------------|------------------|
|   | Steel segment  | Cotton segment | Energy segment  | Hadeed (Billet) segment | IID segment      |                  |
| ----- (Rupees in '000) -----                                  |                |                |                 |                         |                  |                  |
| <b>For the first quarter ended 30 September 2023</b>          |                |                |                 |                         |                  |                  |
| Capital expenditure   | <u>13,142</u>  | <u>-</u>       | <u>-</u>        | <u>-</u>                | <u>-</u>         | <u>13,142</u>    |
| Depreciation and amortisation                                 | <u>26,057</u>  | <u>4,426</u>   | <u>14,930</u>   | <u>12,887</u>           | <u>657</u>       | <u>58,957</u>    |
| Non-cash items other than depreciation and amortisation - net | <u>136,491</u> | <u>13,582</u>  | <u>-</u>        | <u>154</u>              | <u>(311,830)</u> | <u>(161,603)</u> |
| <b>For the first quarter ended 30 September 2022</b>          |                |                |                 |                         |                  |                  |
| Capital expenditure   | <u>76,436</u>  | <u>2,250</u>   | <u>-</u>        | <u>-</u>                | <u>-</u>         | <u>78,686</u>    |
| Depreciation and amortisation                                 | <u>20,576</u>  | <u>5,864</u>   | <u>15,070</u>   | <u>12,835</u>           | <u>2,338</u>     | <u>56,683</u>    |
| Non-cash items other than depreciation and amortisation - net | <u>44,030</u>  | <u>5,046</u>   | <u>(12,511)</u> | <u>2,235</u>            | <u>13,657</u>    | <u>52,457</u>    |

## 24. TRANSACTIONS WITH RELATED PARTIES

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

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

| Name of entity  | Nature of relationship  | Nature of transaction                 | Unaudited                    |              |
|---|-------------------------|---------------------------------------|------------------------------|--------------|
|   |                         |                                       | First quarter ended          | 30 September |
|   |                         |                                       | 30 September                 | 30 September |
|   |                         |                                       | 2023                         | 2022         |
|   |                         |                                       | ----- (Rupees in '000) ----- |              |
| CS Capital (Private) Limited                                      | Subsidiary company      | Reimbursable expenses                 | 480                          | 382          |
| Solution de Energy (Private) Limited                              | Subsidiary company      | Loan given                            | -                            | 2,716        |
|   |                         | Reimbursable expenses                 | -                            | 46           |
| Altern Energy Limited   | Associated company      | Dividend Income                       | 285,120                      | -            |
|   |                         | Dividend received                     | 285,120                      | -            |
| Shakarganj Limited  | Associated company      | Services rendered                     | 1,939                        | -            |
|   |                         | Reimbursable expenses                 | 394                          | 4,273        |
| Shakarganj Food Products Limited                                  | Related party           | Reimburseable expenses                | 1,282                        | 798          |
|   |                         | Payments received from services given | 1,000                        | 710          |
|   |                         | Rent                                  | 727                          | 959          |
| Crescent Socks (Private) Limited                                  | Related party           | Payment received                      | 300                          | 1,000        |
|   |                         | Rent                                  | 300                          | 300          |
| The Crescent Textile Mills Limited                                | Associated company      | Payment received                      | 1,456                        | 1,621        |
|   |                         | Reimburseable expenses                | 917                          | 471          |
|   |                         | Rent                                  | 591                          | 788          |
| The Citizens' Foundation*   | Related party           | Donation given                        | 115                          | 11,033       |
| Pakistan Centre for Philanthropy                                  | Related party           | Annual membership fee                 | 360                          | -            |
|   |                         | Annual membership fee paid            | 360                          | -            |
| Premier Insurance Limited*  | Related party           | Insurance premium                     | 34                           | 894          |
|   |                         | Insurance premium paid                | -                            | 894          |
| Crescent Cotton Products - Staff Provident Fund                   | Retirement benefit fund | Contribution made                     | 416                          | -            |
| Crescent Steel and Allied Products Limited - Gratuity Fund        | Retirement benefit fund | Contribution made                     | 2,303                        | 1,854        |
| Crescent Steel and Allied Products Limited - Pension Fund         | Retirement benefit fund | Contribution made                     | 4,760                        | 4,652        |
| Crescent Steel and Allied Products Limited - Staff Provident Fund | Retirement benefit fund | Contribution made                     | 3,170                        | 3,253        |
| Crescent Hadeed (Private) Limited - Staff Provident Fund          | Retirement benefit fund | Contribution made                     | 95                           | -            |
| CSAP - Staff Benevolent Fund                                      | Staff Welfare Fund      | Contribution made                     | -                            | 3            |
| Key management personnel  | Related parties         | Remuneration and benefits             | 42,633                       | 35,436       |
| Chairman of the Board   | Related party           | Honorarium                            | 450                          | 450          |
| Directors   | Related parties         | Meeting fee                           | 790                          | 790          |

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

24.1 Sale of finished goods and raw materials, rendering of services and insurance premium are based on commercial terms and at market prices which are approved by the Board of Directors.

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

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

## 25. FINANCIAL RISK MANAGEMENT

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

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1** : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

**Level 2** : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

|   | 30 September 2023 (Un-audited)    |   |                  |                                       | Fair value       |                |          | Total          |                |
|---|-----------------------------------|---|------------------|---------------------------------------|------------------|----------------|----------|----------------|----------------|
|   | Fair value through profit or loss | Fair value through other comprehensive income | Amortised cost   | Financial liabilities- Amortised cost | Level 1          | Level 2        | Level 3  |                |                |
| ----- (Rupees in '000) -----                            |                                   |   |                  |                                       |                  |                |          |                |                |
| <b>On-balance sheet financial instruments</b>           |                                   |   |                  |                                       |                  |                |          |                |                |
| <b>Financial assets measured at fair value</b>          |                                   |   |                  |                                       |                  |                |          |                |                |
| Investments   |                                   |   |                  |                                       |                  |                |          |                |                |
| - listed equity securities                              | 239,242                           | 7,199   | -                | -                                     | 246,441          | 246,441        | -        | -              | 246,441        |
| - unlisted equity securities                            | 545,980                           | -   | -                | -                                     | 545,980          | -              | -        | 545,980        | 545,980        |
|   | <b>785,222</b>                    | <b>7,199</b>                                  | <b>-</b>         | <b>-</b>                              | <b>792,421</b>   | <b>246,441</b> | <b>-</b> | <b>545,980</b> | <b>792,421</b> |
| <b>Financial assets not measured at fair value</b>      |                                   |   |                  |                                       |                  |                |          |                |                |
| Deposits  | -                                 | -   | 33,307           | -                                     | 33,307           | -              | -        | -              | -              |
| Term deposit receipt                                    | -                                 | -   | 84,360           | -                                     | 84,360           | -              | -        | -              | -              |
| Trade debts   | -                                 | -   | 1,326,045        | -                                     | 1,326,045        | -              | -        | -              | -              |
| Loan to subsidiary                                      | -                                 | -   | 115,114          | -                                     | 115,114          | -              | -        | -              | -              |
| Other receivables                                       | -                                 | -   | 103,807          | -                                     | 103,807          | -              | -        | -              | -              |
| Bank balances   | -                                 | -   | 276,607          | -                                     | 276,607          | -              | -        | -              | -              |
|   | <b>-</b>                          | <b>-</b>                                      | <b>1,939,240</b> | <b>-</b>                              | <b>1,854,880</b> | <b>-</b>       | <b>-</b> | <b>-</b>       | <b>-</b>       |
| <b>Financial liabilities not measured at fair value</b> |                                   |   |                  |                                       |                  |                |          |                |                |
| Long term loans   | -                                 | -   | -                | 694,811                               | 694,811          | -              | -        | -              | -              |
| Lease liabilities                                       | -                                 | -   | -                | 71,314                                | 71,314           | -              | -        | -              | -              |
| Trade and other payables                                | -                                 | -   | -                | 1,020,334                             | 1,020,334        | -              | -        | -              | -              |
| Mark-up accrued   | -                                 | -   | -                | 125,906                               | 125,906          | -              | -        | -              | -              |
| Short term borrowings                                   | -                                 | -   | -                | 1,624,535                             | 1,624,535        | -              | -        | -              | -              |
| Unclaimed dividend                                      | -                                 | -   | -                | 16,081                                | 16,081           | -              | -        | -              | -              |
|   | <b>-</b>                          | <b>-</b>                                      | <b>-</b>         | <b>3,552,981</b>                      | <b>3,552,981</b> | <b>-</b>       | <b>-</b> | <b>-</b>       | <b>-</b>       |

30 June 2023 (Audited)

|   | Carrying amount                   |   |                |                                       | Fair value |         |         |         |           |
|---|-----------------------------------|---|----------------|---------------------------------------|------------|---------|---------|---------|-----------|
|   | Fair value through profit or loss | Fair value through other comprehensive income | Amortised cost | Financial liabilities- Amortised cost | Total      | Level 1 | Level 2 | Level 3 | Total     |
| ----- (Rupees in '000) -----                            |                                   |   |                |                                       |            |         |         |         |           |
| <b>On-balance sheet financial instruments</b>           |                                   |   |                |                                       |            |         |         |         |           |
| <b>Financial assets measured at fair value</b>          |                                   |   |                |                                       |            |         |         |         |           |
| Investments   |                                   |   |                |                                       |            |         |         |         |           |
| - listed equity securities                              | 468,022                           | 7,295   | -              | -                                     | 475,317    | 475,317 | -       | -       | 475,317   |
| - unlisted equity securities                            | 545,980                           | -   | -              | -                                     | 545,980    | -       | -       | 545,980 | 545,980   |
|   | 1,014,002                         | 7,295   | -              | -                                     | 1,021,297  | 475,317 | -       | 545,980 | 1,021,297 |
| <b>Financial assets not measured at fair value</b>      |                                   |   |                |                                       |            |         |         |         |           |
| Deposits  | -                                 | -   | 30,135         | -                                     | 30,135     | -       | -       | -       | -         |
| Term deposit receipt                                    | -                                 | -   | 84,360         | -                                     | 84,360     | -       | -       | -       | -         |
| Trade debts   | -                                 | -   | 464,043        | -                                     | 464,043    | -       | -       | -       | -         |
| Loan to subsidiary                                      | -                                 | -   | 111,914        | -                                     | 111,914    | -       | -       | -       | -         |
| Other receivables                                       | -                                 | -   | 188,757        | -                                     | 188,757    | -       | -       | -       | -         |
| Bank balances   | -                                 | -   | 30,266         | -                                     | 30,266     | -       | -       | -       | -         |
|   | -                                 | -   | 909,475        | -                                     | 909,475    | -       | -       | -       | -         |
| <b>Financial liabilities not measured at fair value</b> |                                   |   |                |                                       |            |         |         |         |           |
| Long term loans   | -                                 | -   | -              | 694,976                               | 694,976    | -       | -       | -       | -         |
| Lease liabilities                                       | -                                 | -   | -              | 76,673                                | 76,673     | -       | -       | -       | -         |
| Trade and other payables                                | -                                 | -   | -              | 717,897                               | 717,897    | -       | -       | -       | -         |
| Mark-up accrued   | -                                 | -   | -              | 78,369                                | 78,369     | -       | -       | -       | -         |
| Short term borrowings                                   | -                                 | -   | -              | 1,289,519                             | 1,289,519  | -       | -       | -       | -         |
| Unclaimed dividend                                      | -                                 | -   | -              | 16,081                                | 16,081     | -       | -       | -       | -         |
|   | -                                 | -   | -              | 2,873,515                             | 2,873,515  | -       | -       | -       | -         |

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

Investments in subsidiaries and associates are stated at cost. The fair value of listed securities were taken from rates quoted on the Pakistan Stock Exchange and classified under level 1 in fair value hierarchy.

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


## 25.1 Valuation techniques and significant unobservable inputs

The valuation techniques used in measuring level 3 fair values as at 30 September 2023 for unquoted equity investments were same as at 30 June 2023. There was no change in significant unobservable inputs from 30 June 2023; therefore, carried at the same values.

## 26. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue in the Board of Directors meeting held on 26 October 2023.

  
Chief Executive

  
Director

  
Chief Financial Officer



# MINIMALISM

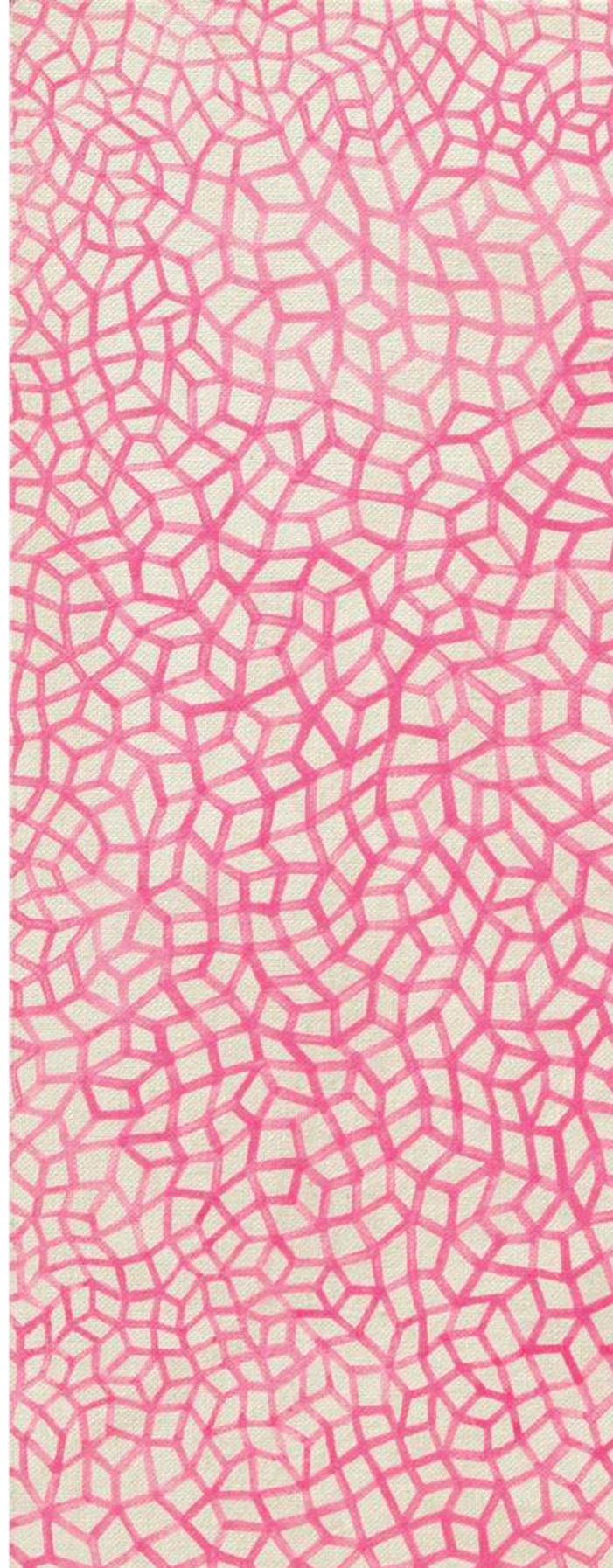
## 1960.....

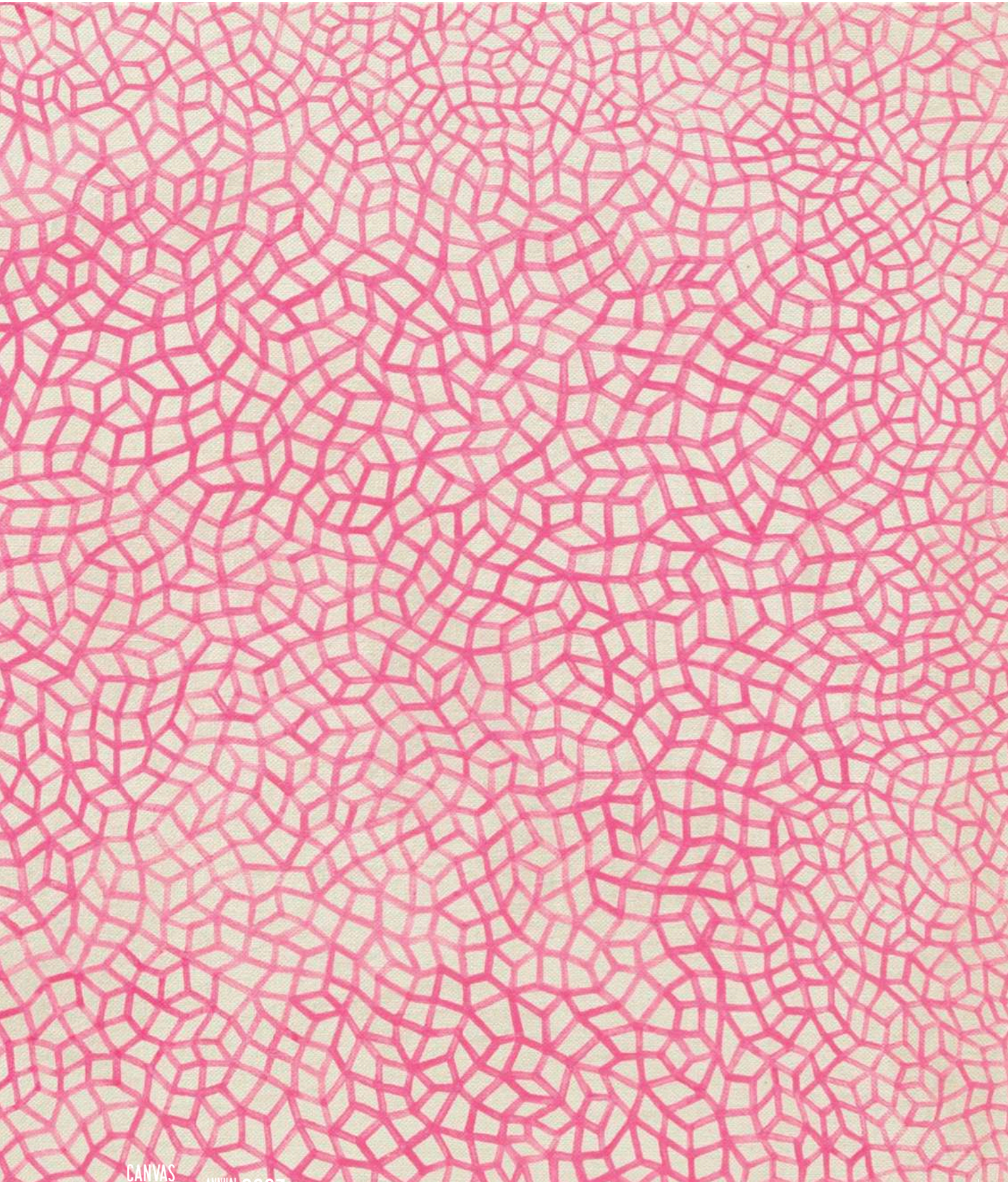
Term used in the 20th century, in particular from the 1960s, to describe a style characterized by an impersonal austerity, plain geometric configurations and industrially processed materials. It was first used by David Burlyuk in the catalogue introduction for an exhibition of John Graham's paintings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

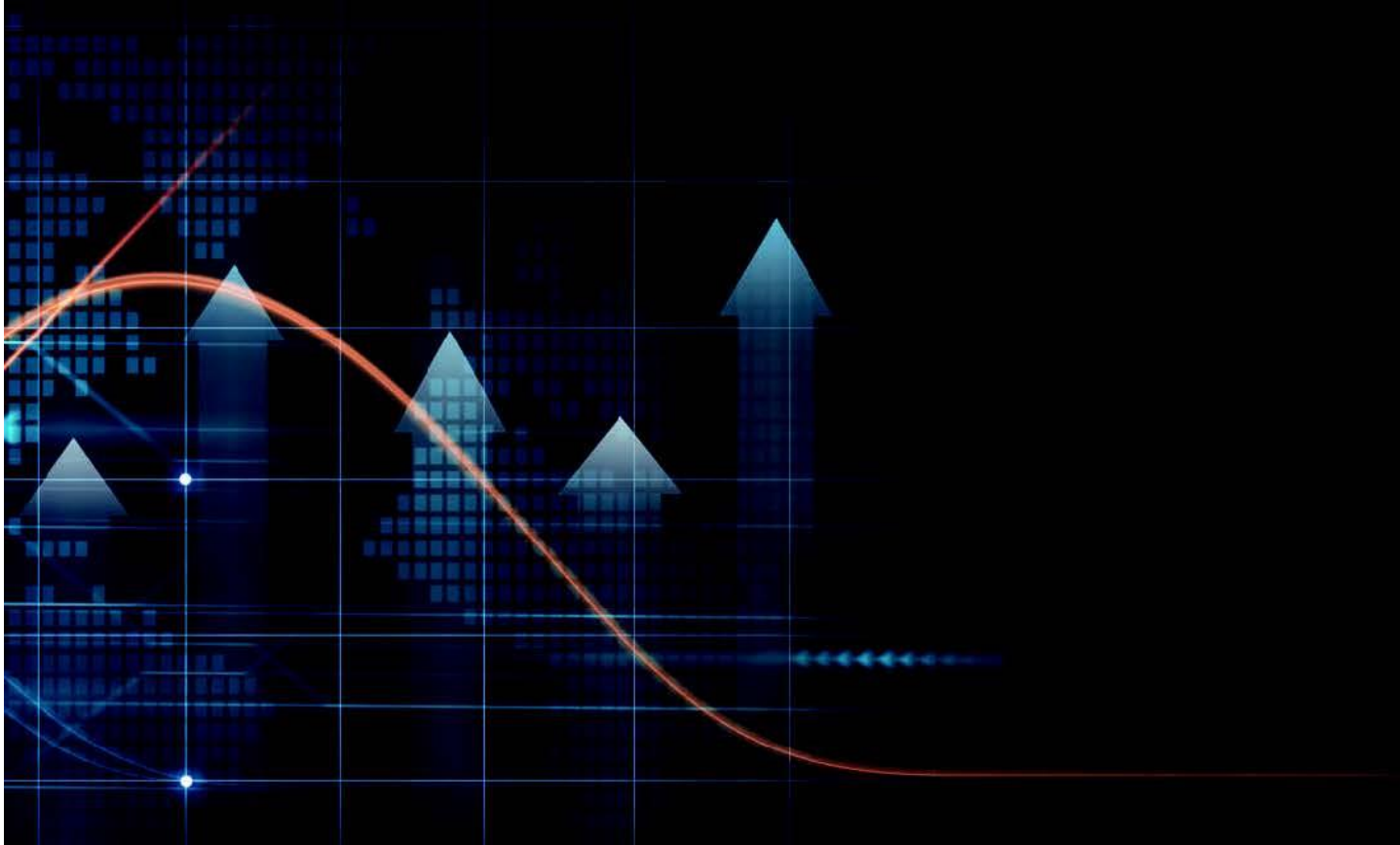
### **YAYOI KUSAMA**

**Title:** INFINITY NETS (H10)

Source: <https://artsandculture.google.com/asset/infinity-nets-h10-yayoi-kusama/oQHGzk2zSDaXsg>







**CRESCENT STEEL AND ALLIED PRODUCTS LIMITED**

**CONSOLIDATED**


**FINANCIAL STATEMENTS**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Crescent Steel and Allied Products Limited  
Condensed Interim Consolidated Statement of Financial Position  
As at 30 September 2023

|  | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|--|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----                   |      |                                   |                            |
| <b>ASSETS</b>                                  |      |                                   |                            |
| <b>Non-current assets</b>                      |      |                                   |                            |
| Property, plant and equipment                  | 5    | 2,397,755                         | 2,437,713                  |
| Right-of-use-assets                            |      | 77,738                            | 82,852                     |
| Intangible assets                              |      | 158,037                           | 155,322                    |
| Investment properties                          |      | 78,102                            | 79,038                     |
| Investment in equity accounted investees       | 6    | 2,846,503                         | 2,948,286                  |
| Other long term investments                    | 7    | 761,451                           | 762,807                    |
| Long term deposits                             | 8    | 27,662                            | 27,143                     |
| Deferred taxation                              |      | 684,457                           | 708,451                    |
|  |      | <u>7,031,705</u>                  | <u>7,201,612</u>           |
| <b>Current assets</b>                          |      |                                   |                            |
| Stores, spares and loose tools                 |      | 342,783                           | 339,707                    |
| Stock-in-trade                                 | 9    | 1,741,293                         | 1,268,967                  |
| Trade debts                                    | 10   | 1,326,045                         | 464,043                    |
| Advances                                       | 11   | 152,583                           | 173,372                    |
| Trade deposits and short term prepayments      |      | 19,519                            | 16,689                     |
| Short term investments                         | 12   | 640,788                           | 834,227                    |
| Other receivables                              | 13   | 181,920                           | 294,952                    |
| Taxation - net                                 |      | 507,675                           | 672,824                    |
| Cash and bank balances                         |      | 294,995                           | 36,248                     |
|  |      | <u>5,207,601</u>                  | <u>4,101,029</u>           |
| <b>Total assets</b>                            |      | <u><u>12,239,306</u></u>          | <u><u>11,302,641</u></u>   |
| <b>EQUITY</b>                                  |      |                                   |                            |
| <b>EQUITY AND LIABILITIES</b>                  |      |                                   |                            |
| <b>Share capital and reserves</b>              |      |                                   |                            |
| Authorized capital                             |      |                                   |                            |
| 100,000,000 ordinary shares of Rs. 10 each     |      | <u>1,000,000</u>                  | <u>1,000,000</u>           |
| Issued, subscribed and paid-up capital         |      | 776,325                           | 776,325                    |
| Capital reserves                               |      | 1,050,669                         | 1,050,821                  |
| Revenue reserves                               |      | 5,873,860                         | 5,598,995                  |
|  |      | <u>7,700,854</u>                  | <u>7,426,141</u>           |
| <b>LIABILITIES</b>                             |      |                                   |                            |
| <b>Non-current liabilities</b>                 |      |                                   |                            |
| Long term loans                                | 14   | 424,562                           | 424,748                    |
| Lease liabilities                              |      | 58,012                            | 62,424                     |
| Deferred income                                |      | 3,702                             | 3,837                      |
| Deferred liability - staff retirement benefits |      | 279,790                           | 279,790                    |
|  |      | <u>766,066</u>                    | <u>770,799</u>             |
| <b>Current liabilities</b>                     |      |                                   |                            |
| Trade and other payables                       | 15   | 1,721,777                         | 1,436,025                  |
| Unclaimed dividend                             |      | 16,081                            | 16,081                     |
| Mark-up accrued                                |      | 125,904                           | 79,061                     |
| Short term borrowings                          | 16   | 1,624,535                         | 1,289,519                  |
| Current portion of long term loans             | 14   | 270,249                           | 270,228                    |
| Current portion of lease liabilities           |      | 13,302                            | 14,249                     |
| Current portion of deferred income             |      | 538                               | 538                        |
|  |      | <u>3,772,386</u>                  | <u>3,105,701</u>           |
| Contingencies and commitments                  | 17   | 4,538,452                         | 3,876,500                  |
| <b>Total equity and liabilities</b>            |      | <u><u>12,239,306</u></u>          | <u><u>11,302,641</u></u>   |

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

  
Chief Executive

  
Director

  
Chief Financial Officer

Crescent Steel and Allied Products Limited  
Condensed Interim Consolidated Statement of Profit or Loss and  
Other Comprehensive Income (Unaudited)  
For the first quarter ended 30 September 2023

|  | Note | First quarter ended |                   |
|--|------|---------------------|-------------------|
|  |      | 30 September 2023   | 30 September 2022 |
| ----- (Rupees in '000) -----   |      |                     |                   |
| Sales  | 18   | 1,589,241           | 1,176,786         |
| Less: Sales tax  |      | 242,427             | 171,113           |
|  |      | <u>1,346,814</u>    | <u>1,005,673</u>  |
| Cost of sales  |      | 1,020,085           | 1,100,320         |
| Gross profit / (loss)  |      | <u>326,729</u>      | <u>(94,647)</u>   |
| Income / (loss) from investments - net   | 19   | 69,416              | (187)             |
|  |      | <u>396,145</u>      | <u>(94,834)</u>   |
| Distribution and selling expenses  |      | 18,018              | 4,600             |
| Administrative expenses  |      | 81,945              | 79,589            |
| Other operating expenses   | 20   | 20,697              | 2,928             |
|  |      | <u>120,660</u>      | <u>87,117</u>     |
|  |      | <u>275,485</u>      | <u>(181,951)</u>  |
| Other income   |      | 19,147              | 28,672            |
| Operating profit / (loss) before finance costs   |      | <u>294,632</u>      | <u>(153,279)</u>  |
| Finance costs  | 21   | 129,911             | 61,179            |
| Share of profit in equity accounted investees - net of taxation  |      | 199,017             | 55,875            |
| Profit / (loss) before taxation  |      | <u>363,738</u>      | <u>(158,583)</u>  |
| Taxation   |      |                     |                   |
| - current for the period   |      | (63,645)            | (14,959)          |
| - deferred   |      | (20,731)            | 76,859            |
|  |      | <u>(84,376)</u>     | <u>61,900</u>     |
| Profit / (loss) for the period   |      | <u>279,362</u>      | <u>(96,683)</u>   |
| <b>Other comprehensive income for the period</b>   |      |                     |                   |
| <b>Items that will not be reclassified subsequently to profit or loss</b>                                |      |                     |                   |
| Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI) |      | (4,497)             | (7,291)           |
| <b>Items that will be reclassified subsequently to profit or loss</b>                                    |      |                     |                   |
| Proportionate share of other comprehensive (loss) / income of equity accounted investees                 |      | (152)               | (159)             |
|  |      | <u>(4,649)</u>      | <u>(7,450)</u>    |
| <b>Total comprehensive income / (loss) for the period</b>  |      | <u>274,713</u>      | <u>(104,133)</u>  |
| ----- (Rupees) -----   |      |                     |                   |
| Earnings / (loss) per share - Basic and diluted  | 22   | <u>3.60</u>         | <u>(1.25)</u>     |

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



Chief Executive



Director



Chief Financial Officer

Crescent Steel and Allied Products Limited  
Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)  
For the first quarter ended 30 September 2023

|  | Issued,<br>subscribed<br>and paid-up<br>capital | Capital reserves |               | Total capital<br>reserves | Revenue reserves      |                    |                          | Total<br>revenue<br>reserves | Total            |
|--|---|------------------|---------------|---------------------------|-----------------------|--------------------|--------------------------|------------------------------|------------------|
|  |   | Share<br>premium | Others *      |                           | Fair value<br>reserve | General<br>reserve | Unappropriated<br>profit |                              |                  |
| (Rupees in '000)                                   |   |                  |               |                           |                       |                    |                          |                              |                  |
| <b>Balance as at 30 June 2022</b>                  | <b>776,325</b>                                  | <b>1,020,908</b> | <b>30,072</b> | <b>1,050,980</b>          | <b>8,733</b>          | <b>3,642,000</b>   | <b>1,546,531</b>         | <b>5,197,264</b>             | <b>7,024,569</b> |
| <b>Total comprehensive income for the period</b>   |   |                  |               |                           |                       |                    |                          |                              |                  |
| Profit after taxation for the period               | -   | -                | -             | -                         | -                     | -                  | (96,683)                 | (96,683)                     | (96,683)         |
| <b>Other comprehensive income</b>                  |   |                  |               |                           |                       |                    |                          |                              |                  |
| Other comprehensive income / (loss) for the period | -   | -                | (159)         | (159)                     | (7,291)               | -                  | -                        | (7,291)                      | (7,450)          |
| <b>Total comprehensive income for the period</b>   | <b>-</b>  | <b>-</b>         | <b>(159)</b>  | <b>(159)</b>              | <b>(7,291)</b>        | <b>-</b>           | <b>(96,683)</b>          | <b>(103,974)</b>             | <b>(104,133)</b> |
| <b>Balance as at 30 September 2022</b>             | <b>776,325</b>                                  | <b>1,020,908</b> | <b>29,913</b> | <b>1,050,821</b>          | <b>1,442</b>          | <b>3,642,000</b>   | <b>1,449,848</b>         | <b>5,093,290</b>             | <b>6,920,436</b> |
| <b>Balance as at 1 July 2023</b>                   | <b>776,325</b>                                  | <b>1,020,908</b> | <b>29,913</b> | <b>1,050,821</b>          | <b>(26,581)</b>       | <b>3,642,000</b>   | <b>1,983,576</b>         | <b>5,598,995</b>             | <b>7,426,141</b> |
| <b>Total comprehensive income for the period</b>   |   |                  |               |                           |                       |                    |                          |                              |                  |
| Profit after taxation for the period               | -   | -                | -             | -                         | -                     | -                  | 279,362                  | 279,362                      | 279,362          |
| <b>Other comprehensive income</b>                  |   |                  |               |                           |                       |                    |                          |                              |                  |
| Other comprehensive (loss) / income for the period | -   | -                | (152)         | (152)                     | (4,497)               | -                  | -                        | (4,497)                      | (4,649)          |
| <b>Total comprehensive income for the period</b>   | <b>-</b>  | <b>-</b>         | <b>(152)</b>  | <b>(152)</b>              | <b>(4,497)</b>        | <b>-</b>           | <b>279,362</b>           | <b>274,865</b>               | <b>274,713</b>   |
| <b>Balance as at 30 September 2023</b>             | <b>776,325</b>                                  | <b>1,020,908</b> | <b>29,761</b> | <b>1,050,669</b>          | <b>(31,078)</b>       | <b>3,642,000</b>   | <b>2,262,938</b>         | <b>5,873,860</b>             | <b>7,700,854</b> |

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

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



Chief Executive



Director



Chief Financial Officer


Crescent Steel and Allied Products Limited  
Condensed Interim Consolidated Statement of Cash Flows (Unaudited)  
For the first quarter ended 30 September 2023

|  | Note | First quarter ended  |                      |
|--|------|----------------------|----------------------|
|  |      | 30 September<br>2023 | 30 September<br>2022 |
| ----- (Rupees in '000) -----                         |      |                      |                      |
| <b>Cash flows from operating activities</b>          |      |                      |                      |
| Cash used in operations                              | 23   | (628,690)            | (220,328)            |
| Taxes refund received / (paid)                       |      | 101,504              | (28,073)             |
| Finance costs paid                                   |      | (80,289)             | (57,970)             |
| Contribution to gratuity and pension funds           |      | (8,037)              | (6,509)              |
| Long term deposits - net                             |      | -                    | 452                  |
| Net cash used in operating activities                |      | (615,512)            | (312,428)            |
| <b>Cash flows from investing activities</b>          |      |                      |                      |
| Capital expenditure                                  |      | (13,142)             | (48,859)             |
| Acquisition of intangible assets                     |      | (3,207)              | (2,974)              |
| Proceeds from disposal of operating fixed assets     |      | 1,238                | 7,359                |
| Investments - net                                    |      | 245,706              | 15,654               |
| Dividend income received                             |      | 313,582              | 10,916               |
| Interest income received                             |      | 3,369                | 3,327                |
| Net cash generated from investing activities         |      | 547,546              | (14,577)             |
| <b>Cash flows from financing activities</b>          |      |                      |                      |
| Repayments of long term loans - net                  |      | (165)                | (37,582)             |
| Payments against finance lease obligations           |      | (8,138)              | (12,764)             |
| Proceeds from short term loans obtained - net        |      | 331,982              | 180,567              |
| Dividends paid                                       |      | -                    | (17)                 |
| Net cash generated from financing activities         |      | 323,679              | 130,204              |
| Net increase in cash and cash equivalents            |      | 255,713              | (196,801)            |
| Cash and cash equivalents at beginning of the period |      | (427,406)            | (383,039)            |
| Cash and cash equivalents at end of the period       | 24   | (171,693)            | (579,840)            |

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



Chief Executive



Director



Chief Financial Officer

# Crescent Steel and Allied Products Limited

## Notes to the Consolidated Financial Statements (Unaudited)

For the first quarter ended 30 September 2023

### 1. THE GROUP AND ITS OPERATIONS

- 1.1 The Group consists of Crescent Steel and Allied Products Limited ('the Holding Company') and its wholly owned subsidiary companies namely; CS Capital (Private) Limited, Solution de Energy (Private) Limited and Crescent Continental Gas Pipelines Limited.
- 1.2 The Holding Company was incorporated on 1 August 1983 as a public limited company in Pakistan under the repealed Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The registered office of the Holding Company and its subsidiaries companies are located at E- Floor, IT Tower, 73-E/1, Hali Road, Gulberg III, Lahore, where as its principal offices are situated at 9th floor, Sidco Avenue Centre, 264 R.A. Lines, Karachi.
- 1.3 CS Capital (Private) Limited was incorporated on 5 November 2010 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The head office of the Subsidiary Company is located at principal office of the Holding Company. The principal activity of the Subsidiary Company is to effectively manage investment portfolios in shares, commodities and other securities (strategic as well as short term). On 26 September 2011, the Holding Company has purchased the entire shareholding from its previous principal shareholder. Consequently, the Company becomes wholly owned subsidiary of the Holding Company.
- 1.4 Solution de Energy (Private) Limited was incorporated as a private limited company in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a result of a Joint Venture (JV) agreement ("the Agreement") executed on 08 October 2013 between Management de Consortium Capital (MdeCC), a partnership concern and the Holding Company. During the year ended 30 June 2019, the Agreement was dissolved and the Holding Company and MdeCC entered into a management contract, whereby MdeCC is responsible for managing the project.

The head office of the Subsidiary Company is located at principal office of the Holding Company. The principal activity of the Subsidiary Company is to build, own, operate and maintain 100MW solar power project (the Project) and to generate, accumulate, distribute, sell and supply electricity / power to PEPCO / DISCOS under the agreement with the Government of Pakistan or to any other consumer as permitted.

- 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 6 to this condensed interim consolidated financial statements.

### 2. BASIS OF PREPARATION

- 2.1 These condensed interim consolidated financial statements of the Group have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
  - Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.



**2.2** These condensed interim consolidated financial statements of the Group do not include all of the information required for annual consolidated financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Group for the year ended 30 June 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

**2.3** These condensed interim consolidated financial statements are presented in Pakistan Rupees which is also the Group's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

**2.4** These condensed interim consolidated financial statements are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

### **3. ACCOUNTING POLICIES**

**3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the audited annual consolidated financial statements for the year ended 30 June 2023.

#### **3.2 NEW STANDARDS, AMENDMENTS AND REPORTING STANDARDS AND NEW INTERPRETATIONS ADOPTED BY THE GROUP**

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

There were certain amendments to the accounting and reporting standards which became mandatory for the Group during the period. However, the amendments did not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

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

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after 1 July 2023. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

### **4. USE OF ESTIMATES AND JUDGEMENTS**

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

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

## 5. PROPERTY, PLANT AND EQUIPMENT

|                              | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|------------------------------|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) ----- |      |                                   |                            |
| Operating fixed assets       | 5.1  | 2,111,111                         | 1,934,958                  |
| Capital work-in-progress     |      | 286,644                           | 502,755                    |
|                              |      | <u>2,397,755</u>                  | <u>2,437,713</u>           |

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

|   | Unaudited<br>First quarter ended<br>30 September 2023 |                          | Unaudited<br>First quarter ended<br>30 September 2022 |              |
|---|---|--------------------------|---|--------------|
|   | Additions /<br>Transfers                              | Disposals<br>/ Transfers | Additions /<br>Transfers                              | Disposals    |
| ----- (Rupees in '000) -----                      |   |                          |   |              |
| Plant and machinery - owned                       | 224,000   | -                        | 49,091  | -            |
| Electrical / office equipment and<br>installation | -   | -                        | 767   | -            |
| Computers   | -   | 877                      | -   | -            |
| Motor vehicles - owned                            | 5,900   | 2,775                    | 28,829  | 2,121        |
|   | <u>229,900</u>  | <u>3,652</u>             | <u>78,687</u>   | <u>2,121</u> |

## 6. INVESTMENT IN EQUITY ACCOUNTED INVESTEEES

The following associates, over which the Group has significant influence either due to representation on the investee company's board or percentage of holding of voting power or both, are accounted for under the equity method of accounting as defined in IAS 28 'Investments in Associates'.

| Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |  | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|-----------------------------------|----------------------------|--|------|-----------------------------------|----------------------------|
| (Number of shares)                |                            | ----- (Rupees in '000) -----   |      |                                   |                            |
|                                   |                            | <b>Quoted</b>  |      |                                   |                            |
| 63,967,500                        | 63,967,500                 | Altern Energy Limited<br>(Chief Executive Officer -<br>Mr. Umer Shehzad Sheikh)        | 6.1  | 2,840,921                         | 2,918,012                  |
| 35,011,347                        | 35,011,347                 | Shakarganj Limited<br>(Chief Executive Officer -<br>Mr. Muhammad Saif Ullah)           | 6.1  | 5,583                             | 30,274                     |
|                                   |                            | <b>Unquoted</b>  |      |                                   |                            |
| 3,430,000                         | 3,430,000                  | Crescent Socks (Private) Limited<br>(Chief Executive Officer -<br>Mr. Shehryar Mazhar) | 6.1  | -                                 | -                          |
|                                   |                            |  |      | <u>2,846,504</u>                  | <u>2,948,286</u>           |

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

| Description                             | 30 September 2023               |                    |                                  | Total            |
|---|---------------------------------|--------------------|----------------------------------|------------------|
|   | Altern Energy Limited           | Shakarganj Limited | Crescent Socks (Private) Limited |                  |
|   | Note ----- Rupees in '000 ----- |                    |                                  |                  |
| Opening balance as at 1 July 2023       | 2,918,012                       | 30,274             | -                                | 2,948,286        |
| Share of profit / (loss)                | 6.2 223,367                     | (24,350)           | -                                | 199,017          |
| Share of equity                         | 6.2 189                         | (341)              | -                                | (152)            |
| Dividend received                       | (300,647)                       | -                  | -                                | (300,647)        |
| Closing balance as at 30 September 2023 | <b>2,840,921</b>                | <b>5,583</b>       | <b>-</b>                         | <b>2,846,504</b> |

| Description                        | 30 June 2023               |                    |                                  | Total            |
|------------------------------------|----------------------------|--------------------|----------------------------------|------------------|
|                                    | Altern Energy Limited      | Shakarganj Limited | Crescent Socks (Private) Limited |                  |
|                                    | ----- Rupees in '000 ----- |                    |                                  |                  |
| Opening balance as at 1 July 2022  | 2,332,187                  | -                  | -                                | 2,332,187        |
| Share of profit / (loss)           | 585,984                    | 67,073             | -                                | 653,057          |
| Share of equity                    | (159)                      | (36,799)           | -                                | (36,958)         |
| Closing balance as at 30 June 2023 | <b>2,918,012</b>           | <b>30,274</b>      | <b>-</b>                         | <b>2,948,286</b> |

6.2 These figures are based on financial statements / information of these companies as at 30 June 2023.

6.3 Percentage of holding of equity in associates is as follows

|                                  | Note  | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|----------------------------------|-------|-----------------------------------|----------------------------|
| Altern Energy Limited            | 6.3.1 | 17.60                             | 17.60                      |
| Shakarganj Limited               | 6.3.2 | 28.01                             | 28.01                      |
| Crescent Socks (Private) Limited |       | 48.99                             | 48.99                      |

6.3.1 The Holding Company and the Subsidiary Company hold 16.69% and 0.91% respectively i.e. aggregate holding of 17.60% in the investee company. There is no common directorship in the investee company. However, the Company directly and / or indirectly has significant influence as per IAS 28 'Investments in Associates', therefore only for the purpose of the equity accounting as required under IAS 28 it has been treated as an associate.

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

6.4 The fair value of investments in associates as at 30 September 2023 is Rs. 2,286.908 million (30 June 2023: Rs. 2,460.446 million).

## 7. OTHER LONG TERM INVESTMENTS

|   | Note      | Unaudited<br>30 September<br>2023 | Audited<br>30 June 2023 |
|---|-----------|-----------------------------------|-------------------------|
| ----- (Rupees in '000) -----                          |           |                                   |                         |
| Fair value through other comprehensive income (FVOCI) | 7.1       | 101,550                           | 102,906                 |
| Fair value through profit or loss (FVTPL)             | 7.2 & 7.3 | 659,901                           | 659,901                 |
|   |           | <u>761,451</u>                    | <u>762,807</u>          |

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

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

**7.3** This also includes investment in Shakarganj Food Products Limited and Central Depository Company of Pakistan Limited amounting to Rs. 455.685 million and Rs. 204.216 million, respectively.

## 8. LONG TERM DEPOSITS

This includes security deposit amounting to Rs. Nil million (30 June 2023: Rs. 27.143 million) under Ijarah financing arrangement.

## 9. STOCK-IN-TRADE

|  |     | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|--|-----|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----                             |     |                                   |                            |
| Raw materials  |     |                                   |                            |
| Hot rolled steel coils (HR Coil)                         |     | 519,125                           | 284,762                    |
| Coating materials  |     | 344,212                           | 328,884                    |
| Remelting steel scrap                                    |     | 11,999                            | 11,999                     |
| Others   |     | 302,890                           | 331,829                    |
| Stock-in-transit   |     | 470,867                           | 129,198                    |
|  |     | <u>1,649,093</u>                  | <u>1,086,672</u>           |
| Provision for obsolescence and slow-moving raw materials |     | (10,110)                          | -                          |
|  |     | <u>1,638,983</u>                  | <u>1,086,672</u>           |
| Work-in-process  |     | 55,397                            | 70,993                     |
| Finished goods   | 9.1 | 143,897                           | 111,099                    |
| Scrap / cotton waste                                     |     | (96,984)                          | 203                        |
|  |     | <u>102,310</u>                    | <u>182,295</u>             |
|  |     | <u>1,741,293</u>                  | <u>1,268,967</u>           |

**9.1** Stock in trade as at 30 September 2023 includes certain items valued at net realisable value (NRV). Charge for the period in respect of stock written down to NRV amounting to Rs. Nil (30 June 2023: Reversal of Rs.7.414 million) has been recognised in cost of sales.

**10. TRADE DEBTS**

|                                | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|--------------------------------|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----   |      |                                   |                            |
| <b>Secured</b>                 |      |                                   |                            |
| Considered good                |      | 512,173                           | -                          |
| <b>Unsecured</b>               |      |                                   |                            |
| Considered good                | 10.1 | 813,872                           | 464,043                    |
| Considered doubtful            |      | 18,401                            | 18,401                     |
|                                |      | <b>832,273</b>                    | 482,444                    |
| Impairment loss on trade debts |      | <b>(18,401)</b>                   | (18,401)                   |
|                                |      | <b>1,326,045</b>                  | 464,043                    |

**10.1** This includes balance due from following related party:

|                      |  |               |        |
|----------------------|--|---------------|--------|
| Pak Elektron Limited |  | <b>57,162</b> | 40,101 |
|----------------------|--|---------------|--------|

**11. ADVANCES**

This includes advances amounting to Rs. 151.307 million (30 June 2023: Rs. 170.592 million) given to suppliers for goods and services.

**12. INVESTMENTS**

|  | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|--|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----                 |      |                                   |                            |
| At amortised cost                            |      | <b>84,360</b>                     | 84,360                     |
| At fair value through profit or loss (FVTPL) | 12.2 | <b>550,854</b>                    | 749,867                    |
| Investment in money market                   |      | <b>4,985</b>                      | -                          |
|  |      | <b>640,199</b>                    | 834,227                    |

**12.1** This represents investment in term deposit receipt carrying markup of 15.75% maturing on March 26, 2024.

**12.2** These comprise investment in ordinary shares of listed companies and units of mutual funds. These also include investments in Jubilee Spinning and Weaving Mills Limited and Innovative Investment Bank Limited, which had been fully provided for as the break-up value of their shares was Rs. Nil per share (30 June 2023: Rs. Nil per share).

**12.3** Investments having an aggregate market value of Rs. 1,335.983 million (30 June 2023: Rs. 1,172.758 million) have been pledged with financial institutions as security against financing facilities (see note 16.4) out of which Rs. 1,053.012 million (30 June 2023: Rs. 918.094 million) relates to long term investments.

| 13. OTHER RECEIVABLES                            | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|--|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----                     |      |                                   |                            |
| Dividend receivable                              |      | 2,556                             | 886                        |
| Provision there against                          |      | (886)                             | (886)                      |
|  |      | <u>1,670</u>                      | <u>-</u>                   |
| Receivable against rent from investment property |      | 45                                | 45                         |
| Claim receivable                                 |      | 461                               | 461                        |
| Due from related parties                         | 13.1 | 5,164                             | 4,920                      |
| Sales tax refundable                             |      | 78,386                            | 106,973                    |
| Margin on letter of credit and guarantee         |      | 95,345                            | 179,482                    |
| Others   |      | 849                               | 3,071                      |
|  |      | <u>181,920</u>                    | <u>294,952</u>             |

#### 13.1 Due from related parties

|                                    |  |              |              |
|------------------------------------|--|--------------|--------------|
| The Crescent Textile Mills Limited |  | 301          | 249          |
| Premier Insurance Limited          |  | -            | 1            |
| Shakarganj Food Products Limited   |  | 4,263        | 4,070        |
| Crescent Socks (Private) Limited   |  | 600          | 600          |
|                                    |  | <u>5,164</u> | <u>4,920</u> |

#### 14. LONG TERM LOANS

##### Secured - Under shariah arrangement

|                              |        |                |                |
|------------------------------|--------|----------------|----------------|
| Long Term Sukuk Certificates | 14.1   | 666,667        | 666,667        |
| Less: Transaction Cost       | 14.1.1 | (3,776)        | (4,241)        |
|                              |        | <u>662,891</u> | <u>662,426</u> |

##### Secured - Under non-shariah arrangement

|   |      |                |                |
|---|------|----------------|----------------|
| JS Bank Limited                                       | 14.3 | 31,920         | 32,550         |
|   |      | <u>694,811</u> | <u>694,976</u> |
| Less: Current portion shown under current liabilities |      | 270,249        | 270,228        |
|   |      | <u>424,562</u> | <u>424,748</u> |

**14.1** During the year ended 30 June 2023, the Company had issued 8,000 Unlisted, privately placed & secured Sukuk certificates (SUKUK Al-Istisna) on 11 October 2022, having face value of Rs. 100,000 amounting to PKR 800. Aggregate amount of Rs. 800 million in connection with issuance of Sukuk Al-Istisna were received on 11 October 2022. The Sukuk certificates carry profit at the rate of 6-months KIBOR + 2% with semi-annual rental payments having tenure of three years from the issue date. Principal repayment in installment has commenced from April 2023.

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

- 14.3** During the year ended 30 June 2021, the Company entered into a loan arrangement with JS Bank Limited in which five tranches; two tranches in March 2021 and one tranche in April 2021, one in July 2021 and one in December 2021 were disbursed. The tranches were converted into State Bank of Pakistan's (SBP) "SBP Financing Scheme for Renewable Energy". The term of the loan is 10 years from the date of disbursement with a grace period of 3 months, repayable in monthly installments starting from June 2021. Mark-up is payable at the rate of 1 month KIBOR plus 1% per annum till approval of refinance from the SBP and after approval from the SBP, the mark-up is payable at the concessional rate of 6% per annum.

The effective interest on such arrangement was 8.49% (30 June 2023: 8.49%) per annum.

**15. TRADE AND OTHER PAYABLES**

|   | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|---|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----              |      |                                   |                            |
| Trade creditors                           |      | 218,463                           | 72,355                     |
| Bills payable                             |      | 445,586                           | 38                         |
| Commission payable                        |      | 522                               | 522                        |
| Accrued liabilities                       |      | 305,948                           | 611,814                    |
| Advances from customers                   |      | 318,230                           | 348,951                    |
| Infrastructure fee, sales tax and damages |      | 299,054                           | 287,643                    |
| Due to related parties                    | 15.1 | 21,117                            | 19,534                     |
| Payable to provident fund                 |      | 2,255                             | 127                        |
| Payable to staff retirement benefit funds |      | 2,789                             | 2,823                      |
| Retention money                           |      | 1,536                             | 2,980                      |
| Withholding tax payable                   |      | 3,532                             | 6,897                      |
| Workers' Profit Participation Fund        |      | 28,026                            | 18,529                     |
| Workers' Welfare Fund                     |      | 8,730                             | 7,640                      |
| Others                                    |      | 65,989                            | 56,172                     |
|   |      | <u>1,721,777</u>                  | <u>1,436,025</u>           |

**15.1 Due to related parties**

|                                   |  |               |               |
|-----------------------------------|--|---------------|---------------|
| Premier Insurance Company Limited |  | 39            | -             |
| Shakarganj Limited                |  | 21,078        | 19,534        |
|                                   |  | <u>21,117</u> | <u>19,534</u> |

**16. SHORT TERM BORROWINGS**

|   | Note | Unaudited<br>30 September<br>2023 | Audited<br>30 June<br>2023 |
|---|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) -----                |      |                                   |                            |
| <b>Secured from banking companies</b>       |      |                                   |                            |
| Running finances under mark-up arrangements | 16.1 | 466,688                           | 463,654                    |
| Short term loans                            | 16.2 | 1,157,847                         | 825,865                    |
|   |      | <u>1,624,535</u>                  | <u>1,289,519</u>           |

- 16.1** Short term running finance / money market available from conventional side of various commercial banks under mark-up arrangements amounted to Rs. 1,300 million (30 June 2023: Rs. 1,150 million) out of which Rs. 300 million (30 June 2023: Rs. 300 million) and Rs. 100 million (30 June 2023: Rs. 100 million) and Rs. 300 million (30 June 2023: Rs. 300 million) are interchangeable with letters of credit, letters of guarantee facility and short term loans, respectively. During the period, the mark-up on such arrangements ranged from 8.19% to 10.54% (30 September 2022: 16.91% to 23.98%) per annum.
- 16.2** Short term loans available from various commercial banks under mark-up arrangements amounted to Rs. 3,850 million (30 June 2023: Rs. 3,950 million) out of which Rs. 3,000 million (30 June 2023: Rs. 3,150 million), Rs. 350 million (30 June 2023: Rs. 350 million) and Rs. 205 million (30 June 2023: Rs. 205 million) are interchangeable with letters of credit, short-term running finance and letters of guarantee facility, respectively. During the period, the mark-up on such arrangements ranged from 22.65% to 25.23% (30 September 2022: 9.14% to 9.57%) per annum.
- 16.3** The facilities for opening letters of credit amounted to Rs. 4,650 million (30 June 2023: Rs. 4,750 million) out of which Rs. 300 million (30 June 2023: Rs. 300 million), Rs. 3,000 million (30 June 2023: Rs. 3,150 million) and Rs. 205 million (30 June 2023: Rs. 205 million) are interchangeable with short term running finance, short term loans and letters of guarantee facility respectively as mentioned in notes 16.1 and 16.2 above. The facility for letters of guarantee as at 30 September 2023 amounted to Rs. 2,148.60 million (30 June 2023: Rs. 2,368.6 million). Amounts unutilized for letters of credit and guarantees as at 30 September 2023 were Rs. 3,698.0 million and Rs. 262.150 million (30 June 2023: Rs. 4,251.0 million and Rs. 380.15 million), respectively.
- 16.4** The above facilities (refer note 16.1 to 16.3) are expiring on various dates with maturing periods upto 31 August 2024 and are secured by way of mortgage of land and building, hypothecation of plant and machinery, stock-in-trade, trade debts and other current assets, pledge of shares (refer note 12.2) and cotton / cotton yarn; and lien over import / export document.

## **17. CONTINGENCIES AND COMMITMENTS**

### **17.1 Contingencies**

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

### **17.2 Commitments**

- 17.2.1** Aggregate amount of guarantees issued by banks on behalf of the Group against various contracts aggregated to Rs. 1,886.45 million (30 June 2023: Rs. 1,988.45 million). These include guarantees issued by Islamic banks amounting to Rs. 207.590 million (30 June 2023: Rs. 257.84 million).
- 17.2.2** Commitments in respect of capital expenditure contracted for by the Holding Company as at 30 September 2023 amounted to Rs. 34.659 million (30 June 2023: Rs. 34.659 million).
- 17.2.3** Commitments under letters of credit as at 30 September 2023 amounted to Rs. 952 million (30 June 2023: Rs. 498.92 million).



| 18. SALES                    | Note | Unaudited<br>First quarter ended |                      |
|------------------------------|------|----------------------------------|----------------------|
|                              |      | 30 September<br>2023             | 30 September<br>2022 |
| ----- (Rupees in '000) ----- |      |                                  |                      |
| <b>Local sales</b>           |      |                                  |                      |
| Bare pipes                   |      | -                                | 498,106              |
| Pre coated pipes             | 18.1 | 1,529,454                        | 7,654                |
| Cotton yarn / raw cotton     |      | -                                | 591,743              |
| Others                       |      | 44,382                           | 64,533               |
| Scrap / waste                |      | 15,405                           | 14,750               |
|                              |      | <u>1,589,241</u>                 | <u>1,176,786</u>     |
| Sales tax                    |      | <u>(242,427)</u>                 | <u>(171,113)</u>     |
|                              |      | <u>1,346,814</u>                 | <u>1,005,673</u>     |

18.1 This includes revenue amounting to Rs. 573.494 million, where Hot Rolled Coil (HRC) was supplied by client.

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

| 19. INCOME / (LOSS) FROM INVESTMENTS - NET          | Note | Unaudited<br>First quarter ended |                      |
|---|------|----------------------------------|----------------------|
|   |      | 30 September<br>2023             | 30 September<br>2022 |
| ----- (Rupees in '000) -----                        |      |                                  |                      |
| Dividend income                                     | 19.1 | 14,605                           | 13,818               |
| Gain on sale of FVTPL investments - net             | 19.2 | 21                               | 5,473                |
| Unrealized gain / (loss) on FVTPL investments - net | 19.3 | 52,541                           | (21,411)             |
| Rent from investment properties                     | 19.5 | 2,015                            | 1,933                |
|   |      | <u>69,182</u>                    | <u>(187)</u>         |

19.1 This includes Rs. 10.78 million earned on investments in Shariah Compliant Investee Companies.

19.2 This represents gain earned on disposal of investments of Shariah Compliant Investee Companies.

19.3 This includes gain of Rs. 50.699 million on investments in Shariah Compliant Investee Companies.

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

19.5 Direct operating expenses incurred against rental income from investment properties amounted to Rs. 1.016 million (30 September 2022: Rs. 1.062 million).

| 20. OTHER OPERATING EXPENSES       |  | Unaudited<br>First quarter ended |                      |
|------------------------------------|--|----------------------------------|----------------------|
|                                    |  | 30 September<br>2023             | 30 September<br>2022 |
| ----- (Rupees in '000) -----       |  |                                  |                      |
| Exchange loss                      |  | (1)                              | 2,928                |
| Provision for:                     |  |                                  |                      |
| Workers' Profit Participation Fund |  | 9,498                            | -                    |
| Workers' Welfare Fund              |  | 1,090                            | -                    |
| Stock-in-trade                     |  | 10,110                           | -                    |
|                                    |  | <u>20,697</u>                    | <u>2,928</u>         |

| 21. FINANCE COSTS                                 |  | Unaudited<br>First quarter ended |                      |
|---|--|----------------------------------|----------------------|
|   |  | 30 September<br>2023             | 30 September<br>2022 |
| Mark-up on short term loans - Shariah arrangement |  | 11,853                           | 10,327               |
| Interest on - Non - Shariah arrangement           |  |                                  |                      |
| - finance lease obligations                       |  | 2,779                            | 2,147                |
| - long term loan                                  |  | 41,911                           | 4,104                |
| - running finances / short term loans             |  | 72,622                           | 43,788               |
| Bank charges                                      |  | 746                              | 813                  |
|   |  | <u>129,911</u>                   | <u>61,179</u>        |

|   |      | Unaudited<br>First quarter ended |                      |
|---|------|----------------------------------|----------------------|
|   |      | 30 September<br>2023             | 30 September<br>2022 |
|   |      | ----- (Rupees in '000) -----     |                      |
| <b>22. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE</b>  |      |                                  |                      |
| Profit / (loss) for the period  |      | 279,362                          | (96,683)             |
|   |      | ----- (Number of shares) -----   |                      |
| Weighted average number of ordinary shares in issue   |      | 77,632,491                       | 77,632,491           |
|   |      | ----- (Rupees) -----             |                      |
| Earnings / (loss) per share - Basic and diluted   |      | 3.60                             | (1.25)               |
| <b>23. CASH USED IN OPERATIONS</b>  |      |                                  |                      |
|   |      | Unaudited<br>First quarter ended |                      |
|   | Note | 30 September<br>2023             | 30 September<br>2022 |
|   |      | ----- (Rupees in '000) -----     |                      |
| Profit / (loss) before taxation   |      | 363,738                          | (158,583)            |
| <b>Adjustments for non cash charges and other items</b>   |      |                                  |                      |
| Depreciation on operating fixed assets and investment properties  |      | 59,150                           | 54,971               |
| Amortization of intangible assets   |      | 492                              | 542                  |
| Charge for the period on staff retirement benefit funds   |      | 8,037                            | 6,498                |
| Dividend income   |      | (14,605)                         | (13,818)             |
| Unrealized (gain) / loss on FVTPL investments - net   |      | (52,541)                         | 21,411               |
| Gain on sale of FVTPL investments - net   |      | (21)                             | (5,473)              |
| Unrealized gain on money market   |      | (234)                            | -                    |
| Provision for stock-in-trade  |      | 10,110                           | -                    |
| Provision for Workers' Welfare Fund   |      | 1,090                            | -                    |
| Provision for Workers' Profit Participation Fund  |      | 9,498                            | -                    |
| Return on deposits  |      | (3,369)                          | (4,260)              |
| Gain on disposal of operating fixed assets  |      | (587)                            | (5,237)              |
| Deferred income   |      | (135)                            | (1,378)              |
| Unwinding of discount on long term deposit  |      | (519)                            | (689)                |
| Finance costs   |      | 129,911                          | 61,179               |
| Share of profit from equity accounted investees - net of taxation   |      | (199,017)                        | (55,875)             |
| Working capital changes   | 23.1 | (939,688)                        | (119,617)            |
|   |      | (628,690)                        | (220,328)            |
| <b>23.1 Working capital changes</b>   |      |                                  |                      |
| <i>Increase in current assets</i>   |      |                                  |                      |
| Stores, spares and loose tools  |      | (3,076)                          | 184                  |
| Stock-in-trade  |      | (482,436)                        | (229,548)            |
| Trade debts   |      | (862,002)                        | 15,157               |
| Advances  |      | 20,789                           | (38,565)             |
| Trade deposits and short term prepayments   |      | (2,830)                          | 5,795                |
| Other receivables   |      | 114,702                          | (272,573)            |
|   |      | (1,214,853)                      | (519,550)            |
| <i>Increase in current liabilities</i>  |      |                                  |                      |
| Trade and other payables  |      | 275,165                          | 399,933              |
|   |      | (939,688)                        | (119,617)            |
| <b>24. CASH AND CASH EQUIVALENTS</b>  |      |                                  |                      |
| Running finances under mark-up arrangements   |      | (466,688)                        | (787,356)            |
| Term deposit receipt  |      | -                                | 120,000              |
| Cash and bank balances  |      | 294,995                          | 87,516               |
|   |      | (171,693)                        | (579,840)            |
| <b>25. SEGMENT REPORTING</b>  |      |                                  |                      |
| <b>25.1 Reportable segments</b>   |      |                                  |                      |
| The Group's reportable segments are as follows:   |      |                                  |                      |
| <ul style="list-style-type: none"> <li>- Steel segment - It comprises of manufacturing and coating of steel pipes.</li> <li>- Cotton segment - It comprises of manufacturing of yarn.</li> <li>- Investment and Infrastructure Development (IID) segment - To effectively manage the investment portfolio in shares and other securities (strategic as well as short term) and investment properties (held for rentals as well as long term appreciation).</li> <li>- Energy segment - It comprises of generating and supplying electricity/power.</li> <li>- Hadeed (Billet) segment - It comprises of manufacturing billets.</li> </ul> |      |                                  |                      |
| Information regarding the Group's reportable segments is presented below:   |      |                                  |                      |

## Segment revenues and results

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

| For the first quarter ended<br>30 September 2023                   | Unaudited        |                   |                   |                            |                |  | Total          |
|--|------------------|-------------------|-------------------|----------------------------|----------------|--|----------------|
|  | Steel<br>segment | Cotton<br>segment | Energy<br>segment | Hadeed (Billet)<br>segment | IID<br>segment | Inter-segments<br>elimination /<br>adjustments |                |
| (Rupees in '000)   |                  |                   |                   |                            |                |  |                |
| Sales - net  | 1,352,783        | -                 | (5,969)           | -                          | -              | -  | 1,346,814      |
| Cost of sales  | 978,437          | 18,186            | 15,275            | 8,187                      | -              | -  | 1,020,085      |
| <b>Gross profit / (loss)</b>                                       | <b>374,346</b>   | <b>(18,186)</b>   | <b>(21,244)</b>   | <b>(8,187)</b>             | <b>-</b>       | <b>-</b>                                       | <b>326,729</b> |
| Income from investments  | 3,754            | -                 | -                 | -                          | 65,662         | -  | 69,416         |
|  | 378,100          | (18,186)          | (21,244)          | (8,187)                    | 65,662         | -  | 396,145        |
| Distribution and selling expenses                                  | 16,659           | 948               | -                 | 411                        | -              | -  | 18,018         |
| Administrative expenses  | 60,018           | 10,806            | 1,024             | 3,750                      | 6,347          | -  | 81,945         |
| Other operating expenses   | 10,587           | 10,110            | -                 | -                          | -              | -  | 20,697         |
|  | 87,264           | 21,864            | 1,024             | 4,161                      | 6,347          | -  | 120,660        |
|  | 290,836          | (40,050)          | (22,268)          | (12,348)                   | 59,315         | -  | 275,485        |
| Other income   | 17,166           | 1,663             | -                 | -                          | 318            | -  | 19,147         |
| <b>Operating profit / (loss) before<br/>finance costs</b>          | <b>308,002</b>   | <b>(38,387)</b>   | <b>(22,268)</b>   | <b>(12,348)</b>            | <b>59,633</b>  | <b>-</b>                                       | <b>294,632</b> |
| Finance costs  | 127,454          | 2,270             | 2                 | 154                        | 31             | -  | 129,911        |
| Share of profit in equity accounted<br>investees - net of taxation | -                | -                 | -                 | -                          | 199,017        | -  | 199,017        |
| <b>Profit / (loss) before taxation</b>                             | <b>180,548</b>   | <b>(40,657)</b>   | <b>(22,270)</b>   | <b>(12,502)</b>            | <b>258,619</b> | <b>-</b>                                       | <b>363,738</b> |
| Taxation   |                  |                   |                   |                            |                |  | (84,376)       |
| <b>Profit for the period</b>                                       |                  |                   |                   |                            |                |  | <b>279,362</b> |

| For the first quarter ended<br>30 September 2022                   | Unaudited                      |                   |                   |                            |                |  | Total           |
|--|--------------------------------|-------------------|-------------------|----------------------------|----------------|--|-----------------|
|  | Steel<br>segment<br>(Restated) | Cotton<br>segment | Energy<br>segment | Hadeed (Billet)<br>segment | IID<br>segment | Inter-segments<br>elimination /<br>adjustments |                 |
| (Rupees in '000)   |                                |                   |                   |                            |                |  |                 |
| Sales - net  | 487,304                        | 509,968           | -                 | 8,401                      | -              | -  | 1,005,673       |
| Cost of sales  | 518,185                        | 540,977           | 15,541            | 25,617                     | -              | -  | 1,100,320       |
| Gross loss   | (30,881)                       | (31,009)          | (15,541)          | (17,216)                   | -              | -  | (94,647)        |
| Loss from investments - net  | -                              | -                 | -                 | -                          | (187)          | -  | (187)           |
|  | (30,881)                       | (31,009)          | (15,541)          | (17,216)                   | (187)          | -  | (94,834)        |
| Distribution and selling expenses                                  | 3,381                          | 894               | -                 | 325                        | -              | -  | 4,600           |
| Administrative expenses  | 58,435                         | 9,908             | 793               | 4,636                      | 5,817          | -  | 79,589          |
| Other operating expenses   | -                              | -                 | -                 | 2,928                      | -              | -  | 2,928           |
|  | 61,816                         | 10,802            | 793               | 7,889                      | 5,817          | -  | 87,117          |
|  | (92,697)                       | (41,811)          | (16,334)          | (25,105)                   | (6,004)        | -  | (181,951)       |
| Other income   | 21,013                         | 7,659             | -                 | -                          | -              | -  | 28,672          |
| Operating loss before finance costs                                | (71,684)                       | (34,152)          | (16,334)          | (25,105)                   | (6,004)        | -  | (153,279)       |
| Finance costs  | 49,389                         | 6,657             | 1                 | 3,160                      | 1,972          | -  | 61,179          |
| Share of profit in equity accounted<br>investees - net of taxation | -                              | -                 | -                 | -                          | 55,875         | -  | 55,875          |
| <b>(Loss) / profit before taxation</b>                             | <b>(22,295)</b>                | <b>(27,495)</b>   | <b>(16,333)</b>   | <b>(21,945)</b>            | <b>51,843</b>  | <b>-</b>                                       | <b>(36,225)</b> |
| Taxation   |                                |                   |                   |                            |                |  | (61,900)        |
| <b>Loss for the period</b>   |                                |                   |                   |                            |                |  | <b>(98,125)</b> |

25.2.1 Revenue reported above represents revenue generated from external customers.

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

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

### 25.3 Revenue from major products and services

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

### 25.4 Information about major customers

Revenue from major customers (Government related concern) of Steel segment represents an aggregate amount of Rs. 1,332.826 million (30 September 2022: Rs. 419.154 million) of total Steel segment revenue of Rs. 1,352.783 million (30 September 2022: Rs. 487.304 million). Revenue from major customers of Cotton segment represents an aggregate amount of Rs. Nil million (30 September 2022: Rs. Nil) of total Cotton segment revenue of Rs. Nil million (30 September 2022: Rs. 509.968 million). Revenue from major customers of Energy segment represents an aggregate amount of Rs. Nil (30 September 2022: Rs. Nil) of total Energy segment revenue of Rs. Nil (30 September 2022: Rs. Nil). Revenue from major customers of Hadeed (Billet) segment represents an aggregate amount of Rs. Nil (30 September 2022: Rs. Nil) of total Hadeed (Billet) segment revenue of Rs. Nil million (30 September 2022: Rs. 8.401 million).

### 25.5 Geographical information

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

### 25.6 Segment assets and liabilities

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

|   | Steel segment    | Cotton segment | Energy segment | Hadeed (Billet) segment | IID segment | Total             |
|---|------------------|----------------|----------------|-------------------------|-------------|-------------------|
|   | (Rupees in '000) |                |                |                         |             |                   |
| <b>As at 30 September 2023 - Unaudited</b>                            |                  |                |                |                         |             |                   |
| Segment assets for reportable segments                                | 4,554,528        | 332,329        | 618,932        | 668,353                 | 1,431,948   | <b>7,606,090</b>  |
| Investment in equity accounted investees                              | -                | -              | -              | -                       | 2,846,503   | <b>2,846,503</b>  |
| Unallocated corporate assets  |                  |                |                |                         |             | <b>1,786,713</b>  |
| Total assets as per consolidated statement of financial position      |                  |                |                |                         |             | <b>12,239,306</b> |
| Segment liabilities for reportable segments                           | 1,703,355        | 128,447        | 81,263         | 80,432                  | 8,264       | <b>2,001,761</b>  |
| Unallocated corporate liabilities and deferred income                 |                  |                |                |                         |             | <b>2,536,691</b>  |
| Total liabilities as per consolidated statement of financial position |                  |                |                |                         |             | <b>4,538,452</b>  |
| <b>As at 30 June 2023 - Audited</b>                                   |                  |                |                |                         |             |                   |
| Segment assets for reportable segments                                | 3,685,849        | 230,380        | 630,821        | 677,091                 | 1,617,029   | 6,841,170         |
| Investment in equity accounted investees                              | -                | -              | -              | -                       | 2,948,286   | 2,948,286         |
| Unallocated corporate assets  |                  |                |                |                         |             | 1,763,582         |
| Total assets as per consolidated statement of financial position      |                  |                |                |                         |             | <b>11,553,038</b> |
| Segment liabilities for reportable segments                           | 1,417,450        | 130,373        | 81,238         | 78,752                  | 13,559      | 1,721,372         |
| Unallocated corporate liabilities and deferred income                 |                  |                |                |                         |             | 2,155,128         |
| Total liabilities as per consolidated statement of financial position |                  |                |                |                         |             | <b>3,876,500</b>  |

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

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

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

### 25.7 Other segment information

|   | Unaudited        |                |                |                         |             |           |
|---|------------------|----------------|----------------|-------------------------|-------------|-----------|
|   | Steel segment    | Cotton segment | Energy segment | Hadeed (Billet) segment | IID segment | Total     |
|   | (Rupees in '000) |                |                |                         |             |           |
| <b>For the first quarter ended 30 September 2023</b>    |                  |                |                |                         |             |           |
| Capital expenditure                                     | 13,142           | -              | 3,207          | -                       | -           | 16,349    |
| Depreciation and amortization                           | 26,057           | 4,498          | 14,930         | 12,887                  | 1,270       | 59,642    |
| Non-cash items other than depreciation and amortization | 136,491          | 13,582         | 2              | 154                     | (262,695)   | (112,466) |
| <b>For the first quarter ended 30 September 2022</b>    |                  |                |                |                         |             |           |
| Capital expenditure                                     | 76,436           | -              | -              | 2,975                   | -           | 79,411    |
| Depreciation and amortization                           | 20,576           | 5,864          | 1,168          | 12,835                  | 15,070      | 55,513    |
| Non-cash items other than depreciation and amortization | 44,070           | 6,632          | (46,032)       | 1                       | (2,313)     | 2,358     |

## 26. TRANSACTIONS WITH RELATED PARTIES

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

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

| Name of entity  | Nature of relationship  | Nature of transaction                 | Unaudited<br>First quarter ended |                      |
|---|-------------------------|---------------------------------------|----------------------------------|----------------------|
|   |                         |                                       | 30 September<br>2023             | 30 September<br>2022 |
|   |                         |                                       | ----- (Rupees in '000) -----     |                      |
| Altern Energy Limited   | Associated company      | Dividend income                       | <u>300,647</u>                   | <u>-</u>             |
|   |                         | Dividend received                     | <u>300,647</u>                   | <u>-</u>             |
| Shakarganj Limited  | Associated company      | Services rendered                     | <u>1,939</u>                     | <u>-</u>             |
|   |                         | Reimbursable expenses                 | <u>394</u>                       | <u>4,273</u>         |
| Shakarganj Food Products Limited                                  | Related party           | Reimbursable expenses                 | <u>1,282</u>                     | <u>798</u>           |
|   |                         | Payments received from services given | <u>1,000</u>                     | <u>710</u>           |
|   |                         | Rent                                  | <u>727</u>                       | <u>959</u>           |
| The Crescent Textile Mills Limited                                | Associated company      | Reimbursable expenses                 | <u>917</u>                       | <u>471</u>           |
|   |                         | Payment received                      | <u>1,456</u>                     | <u>1,621</u>         |
|   |                         | Rent                                  | <u>591</u>                       | <u>788</u>           |
| Crescent Socks (Private) Limited                                  | Related party           | Services rendered                     | <u>300</u>                       | <u>300</u>           |
|   |                         | Payment received                      | <u>300</u>                       | <u>1,000</u>         |
| The Citizens' Foundation*   | Related party           | Donation given                        | <u>115</u>                       | <u>11,033</u>        |
| Pakistan Centre for Philanthropy                                  | Related party           | Annual membership fee                 | <u>360</u>                       | <u>-</u>             |
|   |                         | Annual membership fee paid            | <u>360</u>                       | <u>-</u>             |
| Premier Insurance Limited*  | Related party           | Insurance premium                     | <u>34</u>                        | <u>894</u>           |
|   |                         | Insurance premium paid                | <u>-</u>                         | <u>894</u>           |
| Crescent Cotton Products - Staff Provident Fund                   | Retirement benefit fund | Contribution made                     | <u>416</u>                       | <u>-</u>             |
| Crescent Hadeed (Private) Limited - Staff Provident Fund          | Retirement benefit fund | Contribution made                     | <u>95</u>                        | <u>-</u>             |
| Crescent Steel and Allied Products Limited - Gratuity Fund        | Retirement benefit fund | Contribution made                     | <u>2,303</u>                     | <u>1,854</u>         |
| Crescent Steel and Allied Products Limited - Pension Fund         | Retirement benefit fund | Contribution made                     | <u>4,760</u>                     | <u>4,652</u>         |
| Crescent Steel and Allied Products Limited - Staff Provident Fund | Retirement benefit fund | Contribution made                     | <u>3,170</u>                     | <u>3,253</u>         |
| CSAP - Staff Benevolent Fund                                      | Staff Welfare Fund      | Contribution made                     | <u>-</u>                         | <u>3</u>             |
| Key management personnel  | Related parties         | Remuneration and benefits             | <u>42,633</u>                    | <u>35,436</u>        |
| Chairman of the Board   | Related party           | Honorarium                            | <u>450</u>                       | <u>450</u>           |
| Directors   | Related parties         | Meeting fee                           | <u>790</u>                       | <u>790</u>           |

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

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

## 27. FINANCIAL RISK MANAGEMENT

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

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

|   | 30 September 2023                 |   |                  |                                       |                  |                |          |                |                  |
|---|-----------------------------------|---|------------------|---------------------------------------|------------------|----------------|----------|----------------|------------------|
|   | Carrying amount                   |   |                  |                                       | Fair value       |                |          |                |                  |
|   | Fair value through profit or loss | Fair value through other comprehensive income | Amortised cost   | Financial liabilities- Amortised cost | Total            | Level 1        | Level 2  | Level 3        | Total            |
|   | (Rupees in '000)                  |   |                  |                                       |                  |                |          |                |                  |
| <b>On-balance sheet financial instruments</b>           |                                   |   |                  |                                       |                  |                |          |                |                  |
| <b>Financial assets measured at fair value</b>          |                                   |   |                  |                                       |                  |                |          |                |                  |
| Investment  |                                   |   |                  |                                       |                  |                |          |                |                  |
| - Listed equity securities                              | 550,854                           | 101,550                                       | -                | -                                     | 652,404          | 652,404        | -        | -              | 652,404          |
| - Unlisted equity securities                            | 659,901                           | -   | -                | -                                     | 659,901          | -              | -        | 659,901        | 659,901          |
|   | <b>1,210,755</b>                  | <b>101,550</b>                                | <b>-</b>         | <b>-</b>                              | <b>1,312,305</b> | <b>652,404</b> | <b>-</b> | <b>659,901</b> | <b>1,312,305</b> |
| <b>Financial assets not measured at fair value</b>      |                                   |   |                  |                                       |                  |                |          |                |                  |
| Deposits  | -                                 | -   | 36,352           | -                                     | 36,352           | -              | -        | -              | -                |
| Investment in debt security                             | -                                 | -   | 89,345           | -                                     | 89,345           | -              | -        | -              | -                |
| Trade debts   | -                                 | -   | 1,326,045        | -                                     | 1,326,045        | -              | -        | -              | -                |
| Other receivables                                       | -                                 | -   | 103,534          | -                                     | 103,534          | -              | -        | -              | -                |
| Bank balances   | -                                 | -   | 292,032          | -                                     | 292,032          | -              | -        | -              | -                |
|   | <b>-</b>                          | <b>-</b>                                      | <b>1,847,308</b> | <b>-</b>                              | <b>1,847,308</b> | <b>-</b>       | <b>-</b> | <b>-</b>       | <b>-</b>         |
| <b>Financial liabilities not measured at fair value</b> |                                   |   |                  |                                       |                  |                |          |                |                  |
| Long term loans   | -                                 | -   | -                | 694,811                               | 694,811          | -              | -        | -              | -                |
| Lease liabilities                                       | -                                 | -   | -                | 71,314                                | 71,314           | -              | -        | -              | -                |
| Trade and other payables                                | -                                 | -   | -                | 1,064,205                             | 1,064,205        | -              | -        | -              | -                |
| Mark-up accrued   | -                                 | -   | -                | 125,904                               | 125,904          | -              | -        | -              | -                |
| Short term borrowings                                   | -                                 | -   | -                | 1,624,535                             | 1,624,535        | -              | -        | -              | -                |
|   | <b>-</b>                          | <b>-</b>                                      | <b>-</b>         | <b>3,580,769</b>                      | <b>3,580,769</b> | <b>-</b>       | <b>-</b> | <b>-</b>       | <b>-</b>         |

30 June 2023 (Audited)

|   | Carrying amount                   |   |                |                                       | Fair value       |                |          |                |                  |
|---|-----------------------------------|---|----------------|---------------------------------------|------------------|----------------|----------|----------------|------------------|
|   | Fair value through profit or loss | Fair value through other comprehensive income | Amortised cost | Financial liabilities- Amortised cost | Total            | Level 1        | Level 2  | Level 3        | Total            |
| (Rupees in '000)  |                                   |   |                |                                       |                  |                |          |                |                  |
| <b>On-balance sheet financial instruments</b>           |                                   |   |                |                                       |                  |                |          |                |                  |
| <b>Financial assets measured at fair value</b>          |                                   |   |                |                                       |                  |                |          |                |                  |
| Investment  |                                   |   |                |                                       |                  |                |          |                |                  |
| - Listed equity securities                              | 749,867                           | 102,906                                       | -              | -                                     | 852,773          | 852,773        | -        | -              | 852,773          |
| - Unlisted equity securities                            | 659,901                           | -   | -              | -                                     | 659,901          | -              | -        | 659,901        | 659,901          |
|   | <u>1,409,768</u>                  | <u>102,906</u>                                | <u>-</u>       | <u>-</u>                              | <u>1,512,674</u> | <u>852,773</u> | <u>-</u> | <u>659,901</u> | <u>1,512,674</u> |
| <b>Financial assets not measured at fair value</b>      |                                   |   |                |                                       |                  |                |          |                |                  |
| Deposits  | -                                 | -   | 33,180         | -                                     | 33,180           | -              | -        | -              | -                |
| Term deposit receipt                                    | -                                 | -   | 84,360         | -                                     | 84,360           | -              | -        | -              | -                |
| Trade debts   | -                                 | -   | 464,043        | -                                     | 464,043          | -              | -        | -              | -                |
| Other receivables                                       | -                                 | -   | 187,979        | -                                     | 187,979          | -              | -        | -              | -                |
| Bank balances   | -                                 | -   | 36,248         | -                                     | 36,248           | -              | -        | -              | -                |
|   | <u>-</u>                          | <u>-</u>                                      | <u>805,810</u> | <u>-</u>                              | <u>805,810</u>   | <u>-</u>       | <u>-</u> | <u>-</u>       | <u>-</u>         |
| <b>Financial liabilities not measured at fair value</b> |                                   |   |                |                                       |                  |                |          |                |                  |
| Long term loan  | -                                 | -   | -              | 694,976                               | 694,976          | -              | -        | -              | -                |
| Lease liabilities                                       | -                                 | -   | -              | 76,673                                | 76,673           | -              | -        | -              | -                |
| Trade and other payable                                 | -                                 | -   | -              | 766,364                               | 766,364          | -              | -        | -              | -                |
| Unclaimed dividend                                      | -                                 | -   | -              | 16,081                                | 16,081           | -              | -        | -              | -                |
| Mark-up accrued   | -                                 | -   | -              | 79,061                                | 79,061           | -              | -        | -              | -                |
| Short term borrowings                                   | -                                 | -   | -              | 1,289,519                             | 1,289,519        | -              | -        | -              | -                |
|   | <u>-</u>                          | <u>-</u>                                      | <u>-</u>       | <u>2,922,674</u>                      | <u>2,922,674</u> | <u>-</u>       | <u>-</u> | <u>-</u>       | <u>-</u>         |

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

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

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

**27.1 Valuation techniques and significant unobservable inputs**

The valuation techniques used in measuring level 3 fair values as at 30 September 2023 for unquoted equity investments were same as at 30 June 2023. There was no change in significant unobservable inputs from 30 June 2023; therefore, carried at same values.

**28. DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim consolidated financial statements were authorized for issue in the Board of Directors meeting held on 26 October 2023.



Chief Executive



Director



Chief Financial Officer

