



Your Security - Our Policy

Half Yearly Report June 30, 2020 (Un-Audited)

Crescent Star Insurance Ltd.

ESTD: 1957

NATION WIDE BRANCH NETWORK

MOTOR

HEALTH

FIRE

MARINE

ENGG

TRAVEL

LIVESTOCK

CROP

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Company Vision

- To serve with excellence.
- Excellence achieved through our corporate mission.
- The brand name of CSI with a vision to expand with prudent approach and provide the Insurance Service to Pakistan Industry on sound footing.

Company Mission

- First and foremost to secure the interest of our policy holders by adopting proper risk management techniques, prudent financial planning and maintaining reinsurance arrangements with world-class reinsurers.
- To ensure profitability to our reinsurers who afford us underwriting capacity.
- To recognize human resources as the key element in progress and to provide our officers and field force due recompense for their efforts in building up the company.
- To generate operational profits and dividend return for our shareholders of the Company.

Values

- Integrity
- Transparency
- Passion
- Team Work
- Corporate Social Responsibility

Company Information

Board of Directors

Mr. Naim Anwar (Chief Executive Officer)
Mr. Tanveer Ahmed
Mr. Suhail Elahi
Mr. Shaikh Waqar Ahmed
Mr. Rashid Malik
Ms. Naveeda Mahmud*
Ms. Asma Kashif*
Mr. Sheikh Shiraz Mubashir*

Chief Executive Officer

Mr. Naim Anwar

Management

Mr. Naim Anwar (Chief Executive Officer)
Mr. Tanveer Ahmed (Resident Director)
Mr. Suhail Elahi (Resident Director)
Mr. Malik Mehdi Muhammad (CFO & Company Secretary)
Syed Danish Hasan Rizvi (Head of Internal Audit)

Board Audit Committee

Mr. Shaikh Waqar Ahmed (Chairman)
Mr. Rashid Malik
Mr. Tanveer Ahmed

Board H.R & Remuneration Committee

Mr. Rashid Malik (Chairman)
Mr. Naim Anwar
Mr. Shaikh Waqar Ahmed

Board Investment Committee

Mr. Naim Anwar (Chairman)
Mr. Shaikh Waqar Ahmed
Mr. Rashid Malik

Chief Financial Officer & Company Secretary

Mr. Malik Mehdi Muhammad

Auditors

Ilyas Saeed & Co.
Chartered Accountants

Legal Advisor

Ms. Huma Naz, Soomro Law Associates

Bankers

Habib Bank Limited
Faysal Bank Limited
United Bank Limited

Share Registrar

F. D. Registrar (SMC-Pvt.) Limited
Office No. 1705, 17th Floor, Saima Trade Tower – A
I. I. Chundrighar Road, Karachi
Tel #: 35478192-93 / 32271906 Fax #: 32621233

Registered & Head Officer

2nd Floor, Nadir House
I. I. Chundrighar Road
P.O. BOX No. 4616, Karachi

*subject to Sound and prudent approval from the SECP.

UNCONSOLIDATED

Financial Statements
for the Period Ended
June 30, 2020

Directors' Report to the Members on Condensed Interim Unconsolidated Financial Information

On behalf of the Board of Directors, I am pleased to present to you the unaudited condensed interim unconsolidated financial statements for the half year ended 30 June 2020.

General Review

The gross premium written for the half year has been Rs.53.604 million as compared to Rs.53.626 million for the corresponding figures last year. The net premium for the period has been recorded as Rs.56.676 million against Rs.51.118 million of the corresponding period. The profit after tax recorded at Rs.33.465 million. Earnings per share stood at Rs.0.31.

The Company has maintained a strong view on the issue of BANK and DEPARTMENTS ENLISTMENT/ LIMITS for which it will keep raising its voice to highlight and draw attention of the concerned authorities to assist companies in the Insurance Sector to operate on a fair basis WITHIN THE COMPETITION ACT and other legislation of the country which is one of the major factors effecting penetration of Insurance in Pakistan as opposed to other countries.

The Company by the grace of God has been able to achieve profitable result due to prudent underwriting and maintaining one of the best loss ratios in the industry. To keep this under control the management discourages the single parameter based on growth in premium if it affects the loss ratio. The cost of such prudence keeps pressure on premium growth but the strategy of the management is based on smaller growth with better results on a long term basis.

2020 has been a year of natural disasters, pressures and the business in general has been badly affected due to Covid 19 and the complete lockdown in the second quarter of 2020. It is heartening to report that your Company has been able to see through these difficult times with strength and by the grace of God difficult times have been seen through.

Due Covid 19 followed by vacations of the courts, the process for the merger of the Company's subsidiary Crescent Star Foods (Pvt) Ltd with and into PICIC Insurance Ltd, has been facing delay, however, as the courts and other activities are getting back into business, the Company is hopeful for an early closure of the process of merger through the decision of the HONORABLE HIGH COURT OF SINDH. The management is also actively involved in discussion with management of Dost Steels Limited (DSL) for the early issuance of shares to the Company and for the early start of production of DSL for which efforts are being made at both ends.

Meantime the Company expects a growth in core business through online sales of individual products.

Performance Highlights

The comparative financial highlights for the half year ended 30 June 2020 and 2019 are presented below:-

Rupees in millions (except for EPS)	30 June	30 June	Increase / (Decrease)	
	2020	2019	Amount	%
Gross written premium	53.604	53.626	(0.022)	(0.04)
Net premium	56.676	51.118	5.558	11
Profit / (loss) before tax	39.741	20.220	19.521	97
Profit / (loss) after tax	33.465	19.453	14.012	72
Total assets	1,300.735	1,254.771	45.964	4
Paid-up capital	1,076.950	1,076.950	-	-
Earnings per share (EPS)	0.31	0.18	0.13	72

Auditors' Review Report

The Company has made an advance of Rs. 354.279 million for issuance of shares to DSL. Prudent management policy and in the interest of the Company, the Company has charged interest amounting to Rs. 187.475 million on the advance amount and demanded the same from DSL. However, due to non-availability of any written agreement between DSL and CSIL for charging of mark-up, the auditors have expressed their reservation in the auditors' review report.

Future Outlook

Your Company is looking forward to the positive outcome of the merger and investment in DSL which can give a strong investment portfolio leading to profitable returns.

Acknowledgments

The Directors of your Company would like to take this opportunity to thank Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange, Insurance Association of Pakistan, State Bank of Pakistan, the Banks and Financial Institutions and to all the stakeholders for their continued support and cooperation.

Tanveer Ahmed
Director
Karachi: August 28, 2020

Naim Anwar
Managing Director & CEO

ممبران کے لئے غیر اشتمال شدہ مالیاتی گوشواروں پر ڈائریکٹران کی رپورٹ

میں بورڈ آف ڈائریکٹری کی جانب سے کریڈنٹ اسٹار انشورنس لمیٹڈ کے مجموعی مالیاتی گوشوارے برائے سہ ماہی مدت 30 جون 2020 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

عمومی جائزہ

سال کی دوسری سہ ماہی مدت کا مجموعی خام پریمیم 53.604 ملین روپے ریکارڈ ہوا جبکہ گزشتہ سال 53.626 ملین روپے تھا۔ پہلی سہ ماہی میں خالص پریمیم 56.676 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں 51.118 ملین روپے تھا۔ بعد از ٹیکس منافع 33.465 ملین روپے رہا۔ فی حصص آمدنی 0.31 پیسے پر رہی۔

بنک اور ڈیپازمنٹ / ٹرسٹ / لمیٹس پر کمپنی نے اپنا ایک مضبوط نظریہ برقرار رکھا ہوا ہے اور اس مسئلے پر توجہ مبذول کروانے کیلئے کمپنی اپنی آواز بلند کرتی رہی تاکہ متعلقہ حکام کے تعاون سے انشورنس سیکٹر کی تمام کمپنیاں کمیشن ایکٹ کے تحت منصفانہ بنیاد پر کاروبار کر سکیں۔ پاکستان میں دیگر قانون سازی بھی انشورنس کی رسائی کو متاثر کرنے والے عوامل میں سے ایک ہے جو کہ دوسرے ممالک میں نہیں۔

خدا کے فضل و کرم سے کمپنی منافع بخش نتائج حاصل کرنے میں کامیاب رہی جو کہ محتاط انداز رائٹنگ اور نقصان کا بہترین تناسب رکھنے کی وجہ سے ہے۔ اس کو باور رکھنے کیلئے منجمنٹ پریمیم میں اضافہ کیلئے سنگل پیرامیٹر کی حوصلہ شکنی کرتی ہے اگر یہ نقصان کے تناسب کو متاثر کرے۔ انتظامیہ کی حکمت عملی چھوٹے پریمیم نمونہ پر منحصر ہے جس کے طویل مدتی بنیاد پر بہترین نتائج اخذ ہوتے ہیں۔

Covid-19 کی وجہ سے سال 2020 قدرتی آفات کا سال رہا ہے اور 2020 کی دوسرے سہ ماہی میں مکمل لاک ڈاؤن رہا جسکی وجہ سے ہر کاروبار بری طرح متاثر ہوا، لیکن خدا کے فضل و کرم سے یہ خوشی کی اطلاع ہیکہ آپ کی کمپنی نے یہ مشکل حالات کامیابی کے ساتھ گزاریے۔

کمپنی کے ذیلی ادارہ کریڈنٹ اسٹار فوڈز (پرائیوٹ) لمیٹڈ کا پبلک انشورنس لمیٹڈ کے ساتھ انضمام کا عمل Covid-19 کی وجہ سے ست روڈ کا شکار ہوا، لیکن اب تمام کورس اور کاروباری سرگرمیاں معمول پر آ رہی ہیں تو کمپنی کو امید ہے کہ عزت ما آب سندھ بانی کورٹ انضمام کے اس عمل پر اپنا مثبت فیصلہ سنا کر جلد ختم کر دیگا۔ کمپنی کی منجمنٹ دوست اسٹیل لمیٹڈ (DSL) کی منجمنٹ کیساتھ حصص کے جلد اجراء اور پیداواری یونٹ جلد کے آغاز کیلئے بھی تبادلہ خیال میں سرگرم ہے اور اس کیلئے دونوں سروسوں پر کوشش کی جارہی ہے۔

اس دوران کمپنی انفرادی مصنوعات کی آن لائن فروخت کے ذریعے بنیادی کاروبار میں اضافہ کی توقع کرتی ہے۔

کارکردگی کی جھلکیاں

کمپنی کی متقابلہ مالیاتی جھلکیاں برائے سہ ماہی مدت 30 جون 2020 درج ذیل ہیں:

روپے ملین (ماسوائے EPS)	30 جون 2020	30 جون 2019	رقم	اضافہ / (کمی)
خام پریمیم	53.604	53.626	(0.022)	0.04
خالص پریمیم	56.676	51.118	5.558	11
منافع قبل از ٹیکس	39.741	20.220	19.521	97
منافع بعد از ٹیکس	33.465	19.453	14.012	72
اداشدہ سرمایہ	1,300.735	1,254.771	45.964	4
کل اثاثے	1,076.950	1,076.950	-	-
منافع فی حصص	0.31	0.18	0.13	72

آڈیٹرز کی رپورٹ

کمپنی نے دوست اسٹیل (DSL) ملز کو حصص جاری کر کے 354.279 ملین روپے کا ایڈوائس دیا ہے محتاط انتظامی پالیسی اور کمپنی ایڈوائس کی رقم پر 187.475 ملین روپے کا سود لگایا ہے اور DSL سے اس کا مطالعہ کیا ہے۔ تاہم CSIL اور DSL کے درمیان ایڈوائس کی رقم پر سود سے متعلق کوئی تحریری معاہدہ دستیاب نہیں ہے، اس لئے آڈیٹرز نے اپنے تحفظات کا اظہار کیا ہے۔

مستقبل کی پیش بینی

آپ کی کمپنی انضمام اور DSL میں سرمایہ کاری میں منافع بخش مثبت نتائج کی منتظر ہے۔

اعتراف

کمپنی کے ڈائریکٹران اس موقع پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، انشورنس ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، بینکوں اور مالیاتی اداروں کے مسلسل تعاون اور مدد پر ان کی شکرگزار ہے۔

نعیم انور

مینجنگ ڈائریکٹر اینڈ سی ای او

تنویر احمد

ڈائریکٹر

کراچی: 28 اگست 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF CRESCENT STAR INSURANCE LIMITED ("THE COMPANY") REPORT ON REVIEW OF CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Crescent Star Insurance Limited (the Company) as at June 30, 2020 and the related condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated cash flow statement, and notes to the condensed interim unconsolidated financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of this condensed interim unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim unconsolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified opinion

As stated in note 11.2 to the condensed interim unconsolidated financial statements as at June 30, 2020, the Company has accrued interest of Rs. 187,474,579 (as at December 31, 2019 of Rs. 163,330,338) at the rate of 1 year KIBOR plus 3 percent per annum (as at December 31, 2019: 1 year KIBOR plus 3 percent per annum), accrued on advance against issuance of shares to Dost Steels Limited (an associated company). Agreement with the associated company to support the accrued interest could not be made available to us and the transaction could not be substantiated otherwise. Under the circumstances the validity of the interest income accrued could not be ascertained, consequently, profit for the period ended June 30, 2020 is overstated by Rs. 24,144,241 (for the year ended December 31, 2019 by Rs. 56,981,835) and total assets of the Company as at June 30, 2020 are overstated by Rs. 187,474,579 (as at December 31, 2019 of Rs. 163,330,338).

Basis for qualified conclusion

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures of the condensed interim unconsolidated statement of comprehensive income for the three month period ended June 30, 2020 and related comprehensive information have not been reviewed, as we are required to review only the cumulative figures for the six months period ended June 30, 2020.

The engagement partner on the audit resulting in this independent auditor's report is **Hina Usmani**.

ILYAS SAEED & CO.

Chartered Accountants

Karachi

Date: August 28, 2020

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Financial Position
As at June 30, 2020

		30 June 2020 (Un-audited)	31 December 2019 (Audited)
ASSETS	Note	----- (Rupees) -----	-----
Property and equipment	7	16,187,247	16,291,707
Intangible assets	8	65,867	106,735
Investments in subsidiaries	9	150,019,600	150,019,600
Investments			
Equity securities	10	17,941,503	17,141,873
Loans and other receivables	11	842,831,125	813,608,971
Insurance / reinsurance receivable		182,813,509	168,089,807
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense		6,855,789	6,986,821
Deferred taxation		-	-
Prepayments		2,448,991	6,043,657
Cash and bank	12	78,976,407	73,886,978
TOTAL ASSETS		<u>1,300,735,240</u>	<u>1,254,771,351</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to			
Company's equity holders			
Ordinary share capital		1,076,950,410	1,076,950,410
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	13	25,764,113	26,716,003
Unappropriated Profit		103,395,629	70,095,587
Total equity		<u>1,006,460,152</u>	<u>974,112,000</u>
Share deposit money		-	-
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		60,338,249	61,242,125
Unearned premium reserves		50,115,699	53,348,333
Premium deficiency reserves		1,065,175	14,906
Deferred taxation		-	-
Borrowings		4,464,575	5,013,650
Premium received in advance		2,592,323	2,110,755
Insurance / reinsurance payables		-	-
Other creditors and accruals	14	152,740,214	141,881,158
Taxation - provision less payments		22,958,853	17,048,424
Total liabilities		<u>294,275,088</u>	<u>280,659,351</u>
TOTAL EQUITY AND LIABILITIES		<u>1,300,735,240</u>	<u>1,254,771,351</u>
Contingencies and commitments	15		

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

Director	Director	Director	Chief Financial Officer	Chief Executive/ Principal Officer
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Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)
For the period ended June 30, 2020

		Quarter ended		Half year ended	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
		----- (Rupees) -----		----- (Rupees) -----	
	Note				
Net insurance premium	16	29,111,332	26,044,549	56,675,941	51,118,277
Net insurance claims	17	(999,992)	(6,301,842)	(2,711,373)	(10,846,043)
Premium deficiency		(1,050,269)	131,486	(1,050,269)	(181,129)
Net commission expense	18	(1,944,935)	(2,931,535)	(2,463,479)	(5,772,415)
Insurance claims and acquisition expenses		(3,995,196)	(9,101,891)	(6,225,121)	(16,799,587)
Management expenses		(17,594,438)	(20,396,542)	(38,451,903)	(45,118,862)
Underwriting results		7,521,698	(3,453,884)	11,998,917	(10,800,172)
Investment income	19	2,061,484	38,667	2,062,467	2,673,461
Other income		10,771,451	15,586,679	26,702,575	29,468,678
Other expenses		(458,705)	(588,760)	(954,396)	(723,666)
Results of operating activities		19,895,928	11,582,702	39,809,563	20,618,301
Finance costs		(71,917)	(187,076)	(233,968)	(398,138)
Profit /(Loss) before tax		19,824,011	11,395,626	39,575,595	20,220,163
Taxation		(5,724,453)	(453,352)	(6,275,553)	(766,774)
Profit /(Loss) after tax		14,099,558	10,942,274	33,300,042	19,453,389
Other Comprehensive Income / (Loss)					
Unrealized gain on available for sale investments during the period - net of tax		214,270	87,151	799,628	417,940
Reclassification adjustments relating to available for sale investments disposed off - net		-	-	-	-
		(1,751,518)	-	(1,751,518)	(2,634,794)
Other comprehensive income/ (loss) for the period		(1,537,248)	87,151	(951,890)	(2,216,854)
Total comprehensive profit for the period		12,562,310	11,029,425	32,348,152	17,236,535
Earning / (loss) per share	20	0.13	0.10	0.31	0.18

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

Director

Director

Director

Chief Financial Officer

Chief Executive/ Principal Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)
For the period ended June 30, 2020

	30 June 2020	30 June 2019
Note	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	39,621,522	58,325,510
Reinsurance premium paid	(420,348)	(1,688,963)
Claims paid	(3,615,248)	(10,601,324)
Commission paid	(2,332,447)	(5,975,577)
Commission received	-	-
Management expenses paid	(27,160,682)	(32,181,774)
Net cash flow from underwriting activities	6,092,797	7,877,872
(b) Other operating activities		
Income tax paid	(365,124)	(101,579)
Other operating payments	1,075,086	(2,216,574)
Net cash outflow from other operating activities	709,962	(2,318,154)
Total cash flow from all operating activities	6,802,759	5,559,718
Investment activities		
Profit / return received	1,857	38,667
Dividend received	2,060,610	2,634,794
Proceeds from investments	(1,751,518)	(2,634,794)
Fixed capital expenditure	(1,241,233)	-
Proceeds from sale of property and equipment	-	25,000
Total cash flow from investing activities	(930,284)	63,667
Financing activities		
Finance costs paid	(233,968)	(398,138)
Borrowing under Musharaka arrangements obtained - net	(549,078)	(1,222,679)
Total cash from financing activities	(783,046)	(1,620,817)
Net cash flow from all activities	5,089,429	4,002,568
Cash and cash equivalents at beginning of year	73,886,978	73,138,809
Cash and cash equivalents at end of period	78,976,407	77,141,378
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	6,802,759	5,559,718
Depreciation expense	(1,320,693)	(1,550,410)
Amortization expense	(65,868)	(729,069)
Gain/ (loss) on disposal of property and equipments	-	(139,459)
Profit on disposal of investments	-	-
Dividend income	2,060,610	2,634,794
Other investment and other income	1,857	38,667
Finance costs	(233,968)	(398,138)
Increase in assets other than cash	40,220,157	29,241,119
(Decrease) / increase in liabilities other than borrowings	(8,254,383)	(14,538,638)
Provision for taxation	(5,910,429)	(665,195)
Profit after taxation for the period	33,300,042	19,453,389

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

Director	Director	Director	Chief Financial Officer	Chief Executive/ Principal Officer
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Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)
For the period ended June 30, 2020

	Attributable to equity holders of the Company						
	Share capital	Discount on issue of right shares	Capital reserves		Revenue reserves	Unappropriated profit	Total shareholders equity
			Reserve for exceptional losses	Surplus on remeasurement of available for sale investments	General reserve		
	(Rupees)						
Balance as at January 01, 2019	1,076,950,410	(199,650,000)	1,767,568	2,629,802	24,497,265	20,962,220	927,157,265
Profit after tax for the period	-	-	-	-	-	19,543,388	19,543,388
Other comprehensive income for the period	-	-	-	(2,216,854)	-	-	(2,216,854)
Balance as at June 30, 2019	1,076,950,410	(199,650,000)	1,767,568	412,948	24,497,265	40,505,608	944,483,799
Balance as at January 01, 2020	1,076,950,410	(199,650,000)	1,767,568	451,170	24,497,265	70,095,587	974,112,000
Profit after tax for the period	-	-	-	-	-	33,300,042	33,300,042
Other comprehensive income for the period	-	-	-	(951,890)	-	-	(951,890)
Balance as at June 30, 2020 (Un-audited)	1,076,950,410	(199,650,000)	1,767,568	(500,720)	24,497,265	103,395,629	1,006,460,152

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

Director

Director

Director

Chief Financial Officer

Chief Executive/ Principal Officer

1 STATUS AND NATURE OF BUSINESS

Crescent Star Insurance Limited ("the Company") was incorporated in Pakistan as a Public Limited Company in the year 1957 under the Defunct Companies Act, 1913, now the Companies Act, 2017. The Company is listed on the Pakistan Stock Exchange and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar Road, Karachi, Pakistan.

The Company is engaged in providing non-life general insurance services mainly in spheres of fire and property damage, marine, aviation and transport, motor, credit and suretyship, accident and health and miscellaneous insurance.

2 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements of the Company for the six month period ended June 30, 2020 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

- International Accounting Standard 34 - "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended December 31, 2019

3 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements of the Company for the three months period ended June 30, 2020 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017 shall prevail.

4 BASIS OF MEASUREMENT

These condensed interim unconsolidated financial statements have been prepared under historical cost convention except for certain obligations under employee retirement benefits which are measured at present value and certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

These are separate condensed interim unconsolidated financial statements of the Company in which investments in subsidiaries are accounted for on the basis of cost of investment rather than on the basis of reported results. Consolidated financial statements of the Company are prepared and presented separately.

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is also the Company's functional currency.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim unconsolidated financial information is in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim unconsolidated financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual unconsolidated financial statements as at and for the year ended December 31, 2019.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements for the year ended December 31, 2019. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements of the Company for the year ended December 31, 2019.

Crescent Star Insurance Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the period ended June 30, 2020

			30 June 2020 (Un-audited)	31 December 2019 (Audited)
			(Rupees)	
7	PROPERTY AND EQUIPMENT	Note		
	Operating assets at net book value	7.1	<u>16,187,247</u>	<u>16,291,707</u>
7.1	Operating assets			
	Opening written down value		16,291,707	19,781,656
	Add: Additions during the period / year - at cost			
	- Motor vehicles		<u>1,216,233</u>	-
			1,216,233	-
	Less: Written down value of deletions		-	(436,354)
	Depreciation for the period / year		<u>(1,320,693)</u>	<u>(3,053,595)</u>
			<u>(1,320,693)</u>	<u>(3,489,949)</u>
			<u>16,187,247</u>	<u>16,291,707</u>
8	INTANGIBLE ASSETS			
	Computer software		106,735	1,571,970
	Add: Additions during the period / year - at cost		25,000	-
	Less: Amortizaion for the period / year		<u>(65,868)</u>	<u>(1,465,235)</u>
	WDV of the intangibles		<u>65,867</u>	<u>106,735</u>
9	INVESTMENTS IN SUBSIDIARIES - at cost			
		Holdings		
	Crescent Star Foods (Private) Limited	50%	149,999,660	149,999,660
	Crescent Star Technologies (Private) Limited	99%	9,970	9,970
	Crescent Star Luxury (Private) Limited	99%	9,970	9,970
			<u>150,019,600</u>	<u>150,019,600</u>
10	INVESTMENTS			
	Equity securities	10.1	<u>17,941,503</u>	<u>17,141,873</u>
10.1	Equity securities			
	Available-for-sale	10.1.1	<u>17,941,503</u>	<u>17,141,873</u>
10.1.1	Others			
	Listed shares	10.1.1.1	76,155	48,090
	Mutual funds	10.1.1.2	<u>17,865,348</u>	<u>17,093,783</u>
			<u>17,941,503</u>	<u>17,141,873</u>
10.1.1.1	Investment in Dost Steels Limited, a related party transaction represents 7020 shares (2019: 7020 shares) having book value of Rs. 32,002 (2019: Rs. 32,002) and market value of Rs. 21,411 (2019: Rs. 33,485) with 0.002% (2019: 0.002%) of total equity of that company.			
10.1.1.2	Securities having book value of Rs. 15.493 million (2019: Rs. 15.493 million) and market value of Rs. 17.442 million (2019: Rs. 16.613 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended June 30, 2020

			30 June 2020 (Un-audited)	31 December 2019 (Audited)
		Note	(Rupees)	(Rupees)
11	LOANS AND OTHER RECEIVABLES			
	Advance to employees		15,000	-
	Advance to suppliers		260,000	260,000
	Advance against issuance of shares	11.1	635,785,655	633,985,971
	Security deposits		5,168,657	5,644,143
	Accrued interest on advance against issuance of shares	11.2	187,474,579	163,330,338
	Others		14,127,234	10,388,519
			<u>842,831,125</u>	<u>813,608,971</u>
11.1	This represents advances against issuance of shares given to the following companies:			
	Name of the Company			
	Dost Steels Limited - Associated Company	11.1.1	354,279,066	354,279,066
	Crescent Star Foods (Private) Limited - Subsidiary		203,840,756	202,182,957
	Crescent Star Luxury (Private) Limited - Subsidiary		71,312,098	71,170,212
	Crescent Star Technologies (Private) Limited - Subsidiary		6,353,735	6,353,736
			<u>635,785,655</u>	<u>633,985,971</u>
11.1.1	This carries mark-up at the rate of 1 year KIBOR plus 3% per annum (2019: 1 year KIBOR plus 3%).			
11.2	This represents accrued interest on advances against issuance of shares, given to Dost Steels Limited (an Associated Company) as per the rates given in 11.1.1 above. Movement in advances is as follows:			
	Movement			
	Balance as at beginning of the period / year		163,330,338	106,348,503
	Income for the period / year		24,144,241	56,981,835
	Balance at the end of the period / year		<u>187,474,579</u>	<u>163,330,338</u>
12	CASH AND BANK			
	Cash and other equivalents			
	Cash with State Bank of Pakistan	12.1	72,238,047	72,238,047
	Cash in hand		83,904	80,036
	Policy and revenue stamps		46,906	229,621
			<u>72,368,857</u>	<u>72,547,704</u>
	Cash at bank			
	Current accounts		6,929,969	1,639,269
	Savings accounts	12.2	-	22,424
			<u>6,929,969</u>	<u>1,661,693</u>
	Less: provision against dormant accounts		(322,419)	(322,419)
			<u>6,607,550</u>	<u>1,339,274</u>
			<u>78,976,407</u>	<u>73,886,978</u>
12.1	This represents deposit with State Bank of Pakistan pursuant to the requirements of clause (a) of sub - section 2 of section 29 of Insurance Ordinance, 2000.			
12.2	These carry mark-up at the rate of 11.25% (2019: 10.75%) per annum.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended June 30, 2020

	30 June 2020 (Un-audited)	31 December 2019 (Audited)
	----- (Rupees) -----	
13 RESERVES		
Capital reserves		
Reserve for exceptional losses	1,767,568	1,767,568
Surplus on remeasurement of available for sale investments	(500,720)	451,170
Revenue reserves		
General reserve	24,497,265	24,497,265
	<u>25,764,113</u>	<u>26,716,003</u>
14 OTHER CREDITORS AND ACCRUALS		
Federal insurance fees	2,144,957	1,678,831
Federal excise duty	43,548,627	37,059,567
Payable to staff provident fund	7,064,738	6,018,538
Withholding tax	58,749,776	56,450,292
Accrued expenses	19,353,168	20,487,819
Unpresented cheques	373,209	657,382
Unclaimed dividend	418,209	418,209
Others	21,087,530	19,110,520
	<u>152,740,214</u>	<u>141,881,158</u>
15 CONTINGENCIES AND COMMITMENTS		
15.1 CONTINGENCIES		
The status of contingencies remain unchanged as disclosed in the annual unconsolidated financial statements as of December 31, 2019.		
	30 June 2020 (Un-audited)	31 December 2019 (Audited)
	----- (Rupees) -----	
15.2 COMMITMENTS		
Post dated cheques	<u>2,664,575</u>	<u>3,141,289</u>

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended June 30, 2020

	Quarter ended		Half year ended	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	----- (Rupees) -----		----- (Rupees) -----	
16 NET INSURANCE PREMIUM				
Gross written premium	17,748,615	30,436,380	53,603,706	53,626,136
Add: Unearned premium reserve opening	61,551,986	46,444,488	53,348,333	48,328,460
Less: Unearned premium reserve closing	(50,115,699)	(50,836,319)	(50,115,699)	(50,836,319)
Premium earned	29,184,902	26,044,549	56,836,340	51,118,277
Less: Reinsurance premium ceded	-	-	-	-
Add: prepaid reinsurance premium ceded opening	173,325	-	260,154	-
Less: prepaid reinsurance premium ceded closing	(99,755)	-	(99,755)	-
Reinsurance expense	73,570	-	160,399	-
	<u>29,111,332</u>	<u>26,044,549</u>	<u>56,675,941</u>	<u>51,118,277</u>
17 NET INSURANCE CLAIMS EXPENSE				
Claim paid	1,231,880	7,258,372	3,615,248	10,601,324
Add: Outstanding claims including IBNR closing	(231,888)	(61,881,682)	60,338,249	60,925,152
Less: Outstanding claims including IBNR opening	-	60,925,152	(61,242,124)	(60,680,433)
Claims expense	999,992	6,301,842	2,711,373	10,846,043
Less: Reinsurance and others recoveries received	-	-	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	(2,595,202)	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	2,595,202	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-	-	-
	<u>999,992</u>	<u>6,301,842</u>	<u>2,711,373</u>	<u>10,846,043</u>
18 NET COMMISSION EXPENSE				
Commission paid or payable	606,743	3,375,893	2,332,447	5,975,577
Add: Deferred commission expense opening	-	6,052,042	6,986,821	6,293,238
Less: Deferred commission expense closing	1,338,192	(6,496,400)	(6,855,789)	(6,496,400)
Net commission expense	<u>1,944,935</u>	<u>2,931,535</u>	<u>2,463,479</u>	<u>5,772,415</u>
19 INVESTMENT INCOME				
Income from equity securities				
Available for sale financial assets				
Dividend income	2,060,610	-	2,060,610	2,634,794
Gain on sale of available for sale investment	-	-	-	-
	<u>2,060,610</u>	<u>-</u>	<u>2,060,610</u>	<u>2,634,794</u>
Return on bank balances				
Return on bank balances	874	38,667	1,857	38,667
Less: Investment related expenses	-	-	-	-
Investment income	<u>2,061,484</u>	<u>38,667</u>	<u>2,062,467</u>	<u>2,673,461</u>

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended June 30, 2020

	Quarter ended		Half year ended	
	30 June 2020 (Un-audited)	30 June 2019 (Un-audited)	30 June 2020 (Un-audited)	30 June 2019 (Un-audited)
	----- (Rupees) -----		----- (Rupees) -----	
20 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	<u>14,099,558</u>	<u>10,942,274</u>	<u>33,300,042</u>	<u>19,453,389</u>
	----- Number -----			
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>107,695,041</u>	<u>107,695,041</u>	<u>107,695,041</u>
Earnings per share - basic and diluted	<u>0.13</u>	<u>0.10</u>	<u>0.31</u>	<u>0.18</u>

20.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

21 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, directors and their close family members its staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on its holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including subsidiaries, are disclosed in relevant notes to these unconsolidated financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated financial statements, are as follows:

	Half year ended 2020 (Un-audited)	Half year ended 2019 (Un-audited)
	----- (Rupees) -----	----- (Rupees) -----
21.1 Subsidiary Companies		
Crescent Star Foods (Private) Limited		
Advance against issuance of shares	1,657,799	1,562,595
Crescent Star Luxury (Private) Limited		
Advance against issuance of shares	141,886	428,570
Dost Steel Limited		
Markup on Advance given	24,144,241	26,938,054
21.2 Remuneration to Key Management Personnel	6,948,600	10,329,000
Staff retirement benefits		
Provident fund contribution	331,500	874,596
Markup on outstanding balance of provident fund	220,980	271,722

23 FAIR VALUE

23.1 IFRS 13 defines fair value as an exit price. Fair value is 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.

23.2 All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	30 June 2020		
							Level 1	Level 2	Level 3

Rupees--

Financial Assets - measured at Fair Value

Investments	10	-	-	17,941,503	-	-	17,941,503	17,941,503	-	-
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Financial Assets - not measured at Fair Value

Cash and Bank	12	-	-	-	78,976,407	-	78,976,407	-	-	-
Premium due but unpaid		-	-	-	181,625,638	-	181,625,638	-	-	-
Amount Due from other insurers / reinsurers		-	-	-	1,187,871	-	1,187,871	-	-	-
Reinsurance recoveries against outstanding claims		-	-	-	2,595,202	-	2,595,202	-	-	-
Advances, deposits and other receivables	11	-	-	-	842,831,125	-	842,831,125	-	-	-
		-	-	17,941,503	1,107,216,243	-	1,125,157,746	17,941,503	-	-

Financial liabilities measured at fair value

Provision for outstanding claim (including IBNR)		-	-	-	-	60,338,249	60,338,249	-	-	-
Other creditors and accruals	14	-	-	-	-	28,152,268	28,152,268	-	-	-
Borrowing under musharaka arrangements		-	-	-	-	4,464,575	4,464,575	-	-	-
Unclaimed dividend	14	-	-	-	-	418,209	418,209	-	-	-
		-	-	-	-	93,373,301	93,373,301	-	-	-

Financial liabilities - not measured at Fair Value

Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	31 December 2019		
							Level 1	Level 2	Level 3

Rupees--

Financial Assets - measured at Fair Value

Investments	10	-	-	17,141,873	-	-	17,141,873	17,141,873	-	-
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Financial Assets - not measured at Fair Value

Cash and Bank	12	-	-	-	73,886,978	-	73,886,978	-	-	-
Premium due but unpaid		-	-	-	167,161,884	-	167,161,884	-	-	-
Amount Due from other insurers / reinsurers		-	-	-	927,923	-	927,923	-	-	-
Reinsurance recoveries against outstanding claims		-	-	-	2,595,202	-	2,595,202	-	-	-
Advances, deposits and other receivables	11	-	-	-	813,348,971	-	813,348,971	-	-	-
		-	-	17,141,873	1,057,920,958	-	1,075,062,831	17,141,873	-	-

Financial liabilities measured at fair value

Provision for outstanding claim (including IBNR)		-	-	-	-	61,242,125	61,242,125	-	-	-
Other creditors and accruals	14	-	-	-	-	25,129,058	25,129,058	-	-	-
Borrowing under musharaka arrangements		-	-	-	-	5,013,650	5,013,650	-	-	-
Unclaimed dividend	14	-	-	-	-	418,209	418,209	-	-	-
		-	-	-	-	91,803,042	91,803,042	-	-	-

24 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements have been approved by the Board of Directors of the Company and are authorised for issue on August 28, 2020.

25 IMPACT OF COVID-19 ON OPERATIONS

The Company followed the development of Covid-19 corona virus and evaluated the extent to which this affected the operations in short and long term. The Company has concluded that there are no significant implications of pandemic over the operations of the entity

26 GENERAL

26.1 Corresponding figures of management expenses and other expenses as given in Condensed Interim Unconsolidated Financial Statements (Unaudited) of 30 June 2019 have been rearranged and reclassified to align with the requirements of SRO 89(1) 2017. Except for this change, no material rearrangement or reclassification have been made in these accounts.

26.2 Figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest rupee, unless otherwise stated.

Director

Director

Director

Chief Financial Officer

Chief Executive/ Principal Officer

CONSOLIDATED
Financial Statements
for the Period Ended
June 30, 2020

Directors' Report to the Members on Consolidated Condensed Interim Financial Information

On behalf of the Board of Directors, I am pleased to present the condensed Interim consolidated financial statements of Crescent Star Insurance Limited and its subsidiaries, Crescent Star Foods (Private) Limited, Crescent Star Technologies (Private) Limited and Crescent Star Luxury (Private) Limited for the half year ended June 30, 2020.

The condensed interim consolidated financial information reflects Rs. 0.28 (June 30, 2019: Rs. 0.08) earnings per share for the period under review.

The following appropriation of profit has been recommended by the Board of Directors:

	June 30, 2020	June 30, 2019
	----- Rupees -----	
Profit / (loss) before tax	35,809,493	8,223,300
Provision for taxation	(5,364,957)	108,949
Profit / (loss) after tax	<u>30,444,536</u>	<u>8,332,249</u>
Profit / (loss) attributable to non-controlling interest	(1,637,591)	(3,099,425)
Profit / (loss) attributable to ordinary shareholders	<u><u>32,082,127</u></u>	<u><u>11,431,674</u></u>
 Earning per share	 <u><u>0.28</u></u>	 <u><u>0.08</u></u>

The Directors of your Company would like to take this opportunity to thank all the stakeholders for their continued support and cooperation.

Tanveer Ahmed
Director

Naim Anwar
Managing Director & CEO

Karachi: August 28, 2020

اشتمال شدہ مالیاتی گوشواں پر ڈائریکٹران کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں کریسینٹ اسٹار انشورنس لمیٹڈ اور ذیلی کمپنیوں کریسینٹ اسٹار گزری (پرائیویٹ) لمیٹڈ، کریسینٹ اسٹار فوڈز (پرائیویٹ) لمیٹڈ اور کریسینٹ اسٹار ٹیکنالوجیز (پرائیویٹ) لمیٹڈ کے مختتمہ مالیاتی گوشوارے برائے سہ ماہی مدت 30 جون 2020 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 0.28 روپے (30 جون 2019 کو 0.08 روپے) منافع فی حصص ظاہر کیا گیا ہے۔

بورڈ آف ڈائریکٹرز نے منافع کے مندرجہ ذیل مصارف کی سفارش کی ہے:

30 جون 2019	30 جون 2020	
----- روپے -----		
8,223,300	35,809,493	منافع / (خسارہ) قبل از ٹیکس
108,949	(5,364,957)	ٹیکس کے لئے اختصاص
8,332,249	30,444,536	منافع / (خسارہ) بعد از ٹیکس
(3,099,425)	(1,637,591)	منافع / (خسارہ) ناقابل گرفت سود سے متعلق
11,431,674	32,082,127	منافع / (خسارہ) عمومی حصص یافتگان سے متعلق
0.08	0.28	منافع / (خسارہ) فی حصص

کمپنی کے ڈائریکٹران اس موقع پر تمام مستفیدان کے مسلسل تعاون اور مدد پر ان کے مشکور ہیں۔

نعیم انور

مینیجنگ ڈائریکٹر اینڈ سی ای او

تویر احمد

ڈائریکٹر

کراچی: 28 اگست 2020

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Financial Position
As at June 30, 2020

		30 June 2020 (Un-audited)	31 December 2019 (Audited)
ASSETS	Note	(Rupees)	
Property and equipment	7	139,301,983	143,333,097
Intangible assets	8	45,496,791	46,053,751
Investments			
Equity securities	9	17,941,503	17,141,873
Debt securities		-	-
Loans and other receivables	10	630,703,687	603,281,217
Insurance / reinsurance receivable		182,813,509	168,089,807
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense		6,855,789	6,986,821
Stock-in-trade		10,107,910	10,107,910
Deferred taxation		-	-
Prepayments		2,448,991	6,043,657
Cash and bank	11	79,396,865	74,278,628
Total assets		1,117,662,230	1,077,911,963
EQUITY AND LIABILITIES			
Capital and reserves attributable to			
Company's equity holders			
Ordinary share capital		1,076,950,410	1,076,950,410
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	12	(144,544,847)	(175,675,084)
Equity Attributable to equity holders of the Parent		732,755,563	701,625,326
Non-controlling interest		(24,303,594)	(22,666,003)
Total shareholders' equity		708,451,969	678,959,323
Share deposit money		-	-
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		60,338,249	61,242,125
Unearned premium reserves		50,115,699	53,348,333
Premium deficiency reserves		1,065,175	14,906
Deferred taxation		3,069,873	3,980,469
Borrowings		4,464,575	5,013,650
Premium received in advance		2,592,323	2,110,755
Insurance / reinsurance payables		-	-
Other creditors and accruals	13	265,541,835	257,130,299
Taxation - provision less payments		22,022,532	16,112,103
Total liabilities		409,210,261	398,952,640
Total equity and liabilities		1,117,662,230	1,077,911,963
Contingencies and commitments	14		

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)
For the period ended June 30, 2020

	Note	Quarter ended		Half year ended	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
		----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Net insurance premium	15	29,111,332	26,044,549	56,675,941	51,118,277
Net insurance claims	16	(999,992)	(8,214,902)	(2,711,373)	(10,846,043)
Premium deficiency		(1,050,269)	131,486	(1,050,269)	(181,129)
Net commission expense	17	(1,944,935)	(2,931,535)	(2,463,479)	(5,772,415)
Insurance claims and acquisition expenses		(3,995,196)	(11,014,951)	(6,225,121)	(16,799,587)
Management expenses		(17,594,438)	791,530	(38,451,903)	(23,146,936)
Underwriting results		7,521,698	15,821,128	11,998,917	11,171,754
Sales		-	1,549,000	-	1,549,000
Cost of sales		-	(2,498,950)	-	(2,498,950)
Investment income	18	2,061,484	38,667	2,062,467	2,673,461
Other income		10,771,451	15,586,679	26,702,575	29,468,678
Other expenses		(3,065,675)	(28,351,119)	(4,720,498)	(33,742,505)
Results of operating activities		17,288,958	2,145,405	36,043,461	8,621,438
Finance costs		(71,917)	(187,076)	(233,968)	(398,138)
Profit / (Loss) before tax		17,217,041	1,958,329	35,809,493	8,223,300
Taxation		(4,813,857)	(472,715)	(5,364,957)	108,949
Profit / (Loss) after tax		12,403,184	1,485,614	30,444,536	8,332,249
Attributable to:					
Owners of the Holding Company		13,494,451	3,899,685	32,082,127	11,431,674
Non-controlling interest		(1,091,267)	(2,414,071)	(1,637,591)	(3,099,425)
		12,403,184	1,485,614	30,444,536	8,332,249
Other Comprehensive Income / (Loss)					
Unrealized gain on available for sale investments during the period - net of tax		214,270	87,151	799,628	417,940
Reclassification adjustments relating to available for sale investments disposed off - net		(1,751,518)	-	(1,751,518)	(2,634,794)
Other comprehensive income/ (loss) for the period		(1,537,248)	87,151	(951,890)	(2,216,854)
Total comprehensive profit for the period		10,865,936	1,572,765	29,492,646	6,115,395
Earning / (loss) per share	19	0.12	0.01	0.28	0.08

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Cash Flow Statement (Un-audited)
For the period ended June 30, 2020

	30 June 2020	30 June 2019
Note	----- (Rupees) -----	-----
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	39,621,521	58,325,510
Reinsurance premium paid	(420,348)	(1,688,963)
Claims paid	(3,615,248)	(10,601,324)
Commission paid	(2,332,447)	(5,975,577)
Commission received	-	-
Management expenses paid	(28,956,558)	(37,156,643)
Net cash flow from underwriting activities	4,296,920	2,903,003
(b) Other operating activities		
Proceeds from customers	-	1,549,000
Payments to suppliers	-	883,643
Income tax paid	(365,124)	(1,051,065)
Other operating payments	2,874,771	(402,982)
Net cash outflow from other operating activities	2,509,647	978,596
Total cash flow from all operating activities	6,806,567	3,881,599
Investment activities		
Profit / return received	1,857	38,667
Dividend received	2,060,610	2,634,794
Proceeds from investments	(1,751,518)	(2,634,794)
Fixed capital expenditure	(1,216,233)	1,792,125
Proceeds from sale of property and equipment	-	25,000
Total cash flow from investing activities	(905,284)	1,855,792
Financing activities		
Finance costs paid	(233,968)	(398,138)
Borrowing under Musharaka arrangements obtained - net	(549,078)	(1,222,679)
Total cash from financing activities	(783,046)	(1,620,817)
Net cash flow from all activities	5,118,237	4,116,574
Cash and cash equivalents at beginning of year	74,278,628	73,396,297
Cash and cash equivalents at end of period	79,396,865	77,512,871
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	6,806,567	3,881,599
Depreciation expense	(5,247,347)	(9,711,496)
Amortization expense	(556,961)	(2,044,904)
Gain/ (loss) on disposal of property and equipments	-	(139,459)
Profit on disposal of investments	-	-
Dividend income	2,060,610	2,634,794
Other investment and other income	1,857	38,667
Finance costs	(233,968)	(398,138)
Increase in assets other than cash	38,420,474	24,044,933
(Decrease) / increase in liabilities other than borrowings	(4,896,267)	(11,133,761)
Provision for taxation	(5,910,429)	1,160,014
Profit after taxation for the period	30,444,536	8,332,249

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)
For the period ended June 30, 2020

	Attributable to equity holder of the Group								
	Share capital	Discount on issue of right shares	Capital reserves	Revenue reserves		Unappropriated profit	Attributable to the owners of the Holding Company	Non-controlling interest	Total shareholders' equity restated
	Issued, subscribed and paid-up share capital		Reserve for exceptional losses	General reserve	Surplus on remeasurement of available for sale investments				
	(Rupees)								
Balance as at January 01, 2019	1,076,950,410	(199,650,000)	1,767,568	24,497,265	2,629,802	(233,152,447)	673,042,598	(11,396,563)	661,646,035
Total comprehensive income for the period	-	-	-	-	(2,216,854)	11,431,674	9,214,820	(3,099,425)	6,115,395
Balance as at June 30, 2019	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>24,497,265</u>	<u>412,948</u>	<u>(221,720,773)</u>	<u>682,257,418</u>	<u>(14,495,988)</u>	<u>667,761,430</u>
Balance as at January 01, 2020	1,076,950,410	(199,650,000)	1,767,568	24,497,265	451,170	(202,391,087)	701,625,326	(22,666,003)	678,959,323
Total comprehensive income for the period	-	-	-	-	(951,890)	32,082,127	31,130,237	(1,637,591)	29,492,646
Balance as at June 30, 2020	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>24,497,265</u>	<u>(500,720)</u>	<u>(170,308,960)</u>	<u>732,755,563</u>	<u>(24,303,594)</u>	<u>708,451,969</u>

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

1 STATUS AND NATURE OF BUSINESS

The Group Consists of:

Name of the Company	Status in the Group	Percentage of holding	Acquisition date
Crescent Star Insurance Limited	Holding Company	-	
Crescent Star Foods (Private) Limited	Subsidiary Company	50%	June 30, 2016
Crescent Star Technologies (Private) Limited	Subsidiary Company	99.7%	February 23, 2016
Crescent Star Luxury (Private) Limited	Subsidiary Company	99.7%	December 15, 2016

- Crescent Star Insurance Limited

Crescent Star Insurance Limited ("the Holding Company") was incorporated in Pakistan as a Public Limited Company in the year 1957 under the Defunct Companies Act, 1913, now the Companies Act, 2017. The Holding Company is listed on the Pakistan Stock Exchange and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar road, Karachi, Pakistan.

The Holding Company is engaged in providing non-life general insurance services mainly in spheres of fire and property damage, marine, aviation and transport, motor, credit and suretyship, accident and health and miscellaneous insurance.

- Crescent Star Foods (Private) Limited

Crescent Star Foods (Private) Limited (the Subsidiary Company) is a private limited company incorporated on February 20, 2015 in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the company is located at 2nd floor, Nadir House, I.I. Chandigarh Road, Karachi, Pakistan. The Subsidiary Company has the business objective of running the Fast Food Restaurants throughout Pakistan and other ancillary activities.

- Crescent Star Technologies (Private) Limited

Crescent Star Technologies (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on February 23, 2016 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The object of the Subsidiary Company is to carry on business of vehicle tracking, fleet management services including supply and installation/trading of devices based on various technologies such as GPS and GSM. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

- Crescent Star Luxury (Private) Limited

Crescent Star Luxury (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on December 15, 2016 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The object of the Subsidiary Company is to carry on business of beauty, skincare products and fashion accessories as permissible under the law and such other allied business. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

2 BASIS OF PREPARATION

The disclosures made in these condensed interim consolidated financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan vide S.R.O. 89(I)2017 and International Accounting Standard 34 - Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2019.

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Company for the six months period ended June 30, 2020 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017 shall prevail.

4 BASIS OF MEASUREMENT

These condensed interim consolidated financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim consolidated financial information is in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual consolidated financial statements as at and for the year ended December 31, 2019.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2019. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Company for the year ended December 31, 2019.

			30 June 2020 (Un-audited) ----- (Rupees) -----	31 December 2019 (Audited) -----
7	PROPERTY AND EQUIPMENT	Note		
	Operating assets	7.1	<u>139,301,983</u>	<u>143,333,097</u>
7.1	Operating assets			
	Opening written down value		143,333,097	168,233,129
	Add: Additions during the period / year - at cost			
	- Motor vehicles		1,216,233	-
	- Computers and related accessories		-	-
	- Office equipment		-	-
	- Furniture and fixtures		-	-
			<u>1,216,233</u>	<u>-</u>
	Less: Written down value of deletions		-	(5,740,005)
	Depreciation for the period / year		<u>(5,247,347)</u>	<u>(19,160,027)</u>
			<u>(5,247,347)</u>	<u>(24,900,032)</u>
			<u>139,301,983</u>	<u>143,333,097</u>
8	INTANGIBLE ASSETS			
	Goodwill at acquisition		28,742,849	28,742,849
	Franch Additions during the period / year - at cost		14,341,936	14,777,866
	Computer software		2,412,006	2,533,036
			<u>45,496,791</u>	<u>46,053,751</u>
9	INVESTMENTS			
	Equity securities	9.1	<u>17,941,503</u>	<u>17,141,873</u>
	Debt securities		<u>-</u>	<u>-</u>
9.1	Equity securities			
	Available-for-sale	9.1.1	<u>17,941,503</u>	<u>17,141,873</u>
9.1.1	Others			
	Listed shares		76,155	48,090
	Mutual funds	9.1.1.1	<u>17,865,348</u>	<u>17,093,783</u>
			<u>17,941,503</u>	<u>17,141,873</u>
9.1.1.1	Securities having book value of Rs. 15.493 million (2019: Rs. 15.493 million) and market value of Rs. 17.244 million (2019: Rs. 16.613 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of se (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended June 30, 2020.

			30 June 2020 (Un-audited)	31 December 2019 (Audited)
	Note		----- (Rupees) -----	
10	LOAN AND OTHER RECEIVABLES			
		Security deposits	10,108,864	10,584,350
		Advance to employees	53,397,482	53,397,482
		Advance against expenses	15,000	-
	10.1	Accrued interest on advance against issuance of shares	187,474,579	163,330,338
	10.2	Advance against issuance of shares	354,279,066	354,279,066
		Others	25,428,696	21,689,981
			<u>630,703,687</u>	<u>603,281,217</u>
10.1	This represents accrued interest on advances against issue of shares, given to Dost Steels Limited. Movement in advances is as follows:			
	Movement			
		Balance as at beginning of the year	163,330,338	106,348,503
		Income for the period / year	24,144,241	56,981,835
		Balance at the end of the period / year	<u>187,474,579</u>	<u>163,330,338</u>
10.2	The Holding Company has made an advance against issuance of shares to Dost Steel limited (DSL), of which an aggregate amount of Rs. 247,995,000 /- and Rs. 57,768,000/- has been assigned to Dynasty Trading (Private) Limited and Din Corporation (Private) Limited respectively under an assignment agreement. No consideration has been received either from Dynasty Trading (Private) Limited or Din Corporation (Private) Limited, therefore these balances are still shown in the title of Dost Steel Limited. These balances carry mark-up at the rate of 1 year KIBOR plus 3% per annum (2019: 1 year KIBOR plus 3%).			
11	CASH AND BANK			
	Cash and other equivalents			
		Cash with State Bank of Pakistan	72,238,047	72,238,047
		Cash in hand	432,913	429,044
		Policy and revenue stamps	46,906	229,621
			<u>72,717,866</u>	<u>72,896,712</u>
	Cash at bank			
		Current accounts	7,001,418	1,681,911
		Savings accounts	-	22,424
			<u>7,001,418</u>	<u>1,704,335</u>
		Less: provision against dormant accounts	(322,419)	(322,419)
			<u>6,678,999</u>	<u>1,381,916</u>
			<u>79,396,865</u>	<u>74,278,628</u>
11.1	This represents deposit with State Bank of Pakistan pursuant to the requirements of clause (a) of sub - section 2 of section 29 of Insurance Ordinance, 2000.			
11.2	These carry mark-up at the rate of 11.25% (2019: 10.75%) per annum.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended June 30, 2020.

	30 June 2020 (Un-audited) ----- (Rupees) -----	31 December 2019 (Audited) -----
12 RESERVES		
Capital reserves		
Reserve for exceptional losses	1,767,568	1,767,568
Revenue reserves		
General reserve	24,497,265	24,497,265
Unappropriated profit	(170,308,960)	(202,391,087)
Surplus on remeasurement of available for sale investments	(500,720)	451,170
	<u>(144,544,847)</u>	<u>(175,675,084)</u>
13 OTHER CREDITORS AND ACCRUALS		
Trade and related payables	49,615,222	51,572,527
Federal insurance fees	2,144,957	1,678,831
Federal excise duty	43,548,627	37,059,567
Payable to staff provident fund	7,064,738	6,018,538
Withholding tax	77,729,013	75,429,529
Accrued expenses	61,449,620	63,074,486
Unpresented cheques	373,209	657,382
Unclaimed dividend	418,209	418,209
Others	23,198,240	21,221,230
	<u>265,541,835</u>	<u>257,130,299</u>
14 CONTINGENCIES AND COMMITMENTS		
14.1 CONTINGENCIES		
The status of contingencies remain unchanged as disclosed in the annual consolidated financial statements as of December 31, 2019.		
14.2 COMMITMENTS		
Post dated cheques	<u>2,664,575</u>	<u>3,141,289</u>

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended June 30, 2020.

	Quarter ended		Half year ended	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- (Rupees) -----		----- (Rupees) -----	
15 NET INSURANCE PREMIUM				
Gross written premium	17,748,615	30,436,380	53,603,706	53,626,136
Add : Unearned contribution reserve opening	61,551,986	46,444,488	53,348,333	48,328,460
Less: Unearned contribution reserve closing	(50,115,699)	(50,836,319)	(50,115,699)	(50,836,319)
Premium earned	29,184,902	26,044,549	56,836,340	51,118,277
Less: Reinsurance premium ceded	-	-	-	-
Add: prepaid reinsurance premium ceded opening	173,325	-	260,154	-
Less: prepaid reinsurance premium ceded closing	(99,755)	-	(99,755)	-
Reinsurance expense	73,570	-	160,399	-
	29,111,332	26,044,549	56,675,941	51,118,277
16 NET INSURANCE CLAIMS EXPENSE				
Claim paid	1,231,880	7,258,372	3,615,248	10,601,324
Add : Outstanding claims including IBNR closing	(231,888)	61,881,682	60,338,249	60,925,152
Less: Outstanding claims including IBNR opening	-	(60,925,152)	(61,242,124)	(60,680,433)
Claims expense	999,992	8,214,902	2,711,373	10,846,043
Less: Reinsurance and others recoveries received	-	-	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	(2,595,202)	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	2,595,202	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-	-	-
	999,992	8,214,902	2,711,373	10,846,043
17 NET COMMISSION EXPENSE				
Commission paid or payable	606,743	3,375,893	2,332,447	5,975,577
Add : Deferred commission expense opening	-	6,052,042	6,986,821	6,293,238
Less: Deferred commission expense closing	1,338,192	(6,496,400)	(6,855,789)	(6,496,400)
Net commission expense	1,944,935	2,931,535	2,463,479	5,772,415
18 INVESTMENT INCOME				
Income from equity securities				
Available for sale financial assets				
Dividend income	2,060,610	-	2,060,610	2,634,794
Gain on sale of available for sale investments	-	-	-	-
	2,060,610	-	2,060,610	2,634,794
Income from debt securities				
Held to maturity	-	-	-	-
Return on debt securities	874	38,667	1,857	38,667
	874	38,667	1,857	38,667
Less: Investment related expenses	-	-	-	-
Investment income	2,061,484	38,667	2,062,467	2,673,461

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended June 30, 2020.

	Quarter ended		Half year ended	
	30 June 2020 (Un-audited) ----- (Rupees) -----	30 June 2019 (Un-audited)	30 June 2020 (Un-audited) ----- (Rupees) -----	30 June 2019 (Un-audited)
19 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	<u>12,403,184</u>	<u>1,485,614</u>	<u>30,444,536</u>	<u>8,332,249</u>
	----- Number -----			
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>107,695,041</u>	<u>107,695,041</u>	<u>107,695,041</u>
Earnings per share - basic and diluted	<u>0.12</u>	<u>0.01</u>	<u>0.28</u>	<u>0.08</u>

19.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

20 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, directors and their close family members its staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on its holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances are disclosed in relevant notes to these financial statements. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	30 June 2020 (Un-audited) ----- (Rupees) -----	30 June 2019 (Un-audited)
20.1 Remuneration to Key Management Personnel	6,948,600	10,329,000
Staff retirement benefits		
Provident fund contribution	331,500	874,596
Markup on outstanding balance of provident fund	220,980	271,722

	For the six months period ended June 30, 2020										
Current period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Food	Technologies	Luxury	Aggregate
	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	680,039	1,674,034	14,785,816	-	35,648,364	815,454	53,603,707	-	-	-	53,603,707
Insurance premium earned	1,251,794	1,464,277	19,728,199	568,297	31,648,025	2,175,749	56,836,341	-	-	-	56,836,341
Insurance premium ceded to reinsurers (25,399)	-	-	(135,000)	-	-	-	(160,399)	-	-	-	(160,399)
Net insurance premium	1,226,395	1,464,277	19,593,199	568,297	31,648,026	2,175,749	56,675,941	-	-	-	56,675,941
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	1,226,395	1,464,277	19,593,199	568,297	31,648,026	2,175,749	56,675,941	-	-	-	56,675,941
Insurance claims	-	(1,000,000)	(902,144)	(295,923)	(500,000)	(13,306)	(2,711,373)	-	-	-	(2,711,373)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	-	(1,000,000)	(902,144)	(295,923)	(500,000)	(13,306)	(2,711,373)	-	-	-	(2,711,373)
Commission expense	(243,792)	(486,326)	(1,481,867)	(28,415)	(6,150)	(216,929)	(2,463,479)	-	-	-	(2,463,479)
Management expense	(485,141)	(1,180,442)	(10,870,300)	-	(25,346,312)	(569,708)	(38,451,903)	-	-	-	(38,451,903)
Premium deficiency reversal / (expense)	-	(38,866)	(1,011,403)	-	-	-	(1,050,269)	-	-	-	(1,050,269)
Net insurance claims and expenses	(728,933)	(2,705,634)	(14,265,714)	(324,338)	(25,852,462)	(799,943)	(44,677,024)	-	-	-	(44,677,024)
	-	-	-	-	-	-	-	-	-	-	-
Underwriting results	497,462	(1,241,357)	5,327,485	243,959	5,795,564	1,375,806	11,998,917	-	-	-	11,998,917
Net investment income	-	-	-	-	-	-	-	-	-	-	2,062,467
Other income	-	-	-	-	-	-	-	-	-	-	26,702,575
Other expenses	-	-	-	-	-	-	(789,196)	(4,187,314)	(107,788)	363,800	(4,720,498)
Result of operating activities	-	-	-	-	-	-	-	-	-	-	36,043,461
Finance costs	-	-	-	-	-	-	-	-	-	-	(233,968)
Profit before tax for the period	-	-	-	-	-	-	-	-	-	-	35,809,493
	For the six months period ended June 30, 2019										
Prior period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Food	Technologies	Luxury	Aggregate
	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	2,572,543	3,132,410	29,221,122	-	17,063,292	1,636,769	53,626,136	-	-	-	53,626,136
Insurance premium earned	3,096,907	3,835,998	23,590,918	610,801	16,170,638	3,813,015	51,118,277	-	-	-	51,118,277
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net insurance premium	3,096,907	3,835,998	23,590,918	610,801	16,170,638	3,813,015	51,118,277	-	-	-	51,118,277
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	3,096,907	3,835,998	23,590,918	610,801	16,170,638	3,813,015	51,118,277	-	-	-	51,118,277
Insurance claims	(891,901)	(332,000)	(6,781,455)	(136,259)	(2,338,856)	(365,572)	(10,846,043)	-	-	-	(10,846,043)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	(891,901)	(332,000)	(6,781,455)	(136,259)	(2,338,856)	(365,572)	(10,846,043)	-	-	-	(10,846,043)
Commission expense	(401,968)	(859,556)	(2,270,866)	(30,540)	(1,709,710)	(499,775)	(5,772,415)	-	-	-	(5,772,415)
Management expense	(1,116,304)	(1,345,494)	(12,813,021)	-	(702,735)	(7,169,382)	(23,146,936)	-	-	-	(23,146,936)
Premium deficiency reversal / (expense)	-	(181,129)	-	-	-	-	(181,129)	-	-	-	(181,129)
Net insurance claims and expenses	(2,410,173)	(2,718,179)	(21,865,342)	(166,799)	(4,751,301)	(8,034,729)	(39,946,523)	-	-	-	(39,946,523)
	-	-	-	-	-	-	-	-	-	-	-
Underwriting results	686,734	1,117,819	1,725,576	444,002	11,419,337	(4,221,714)	11,171,754	-	-	-	11,171,754
Sales	-	-	-	-	-	-	-	-	-	1,549,000	1,549,000
Cost of sales	-	-	-	-	-	-	-	-	-	(2,498,950)	(2,498,950)
Net investment income	-	-	-	-	-	-	-	-	-	-	2,673,461
Other income	-	-	-	-	-	-	-	-	-	-	29,468,678
Other expenses	-	-	-	-	-	-	(22,695,592)	(7,064,224)	(27,593)	(3,955,096)	(33,742,505)
Result of operating activities	-	-	-	-	-	-	-	-	-	-	8,621,438
Finance costs	-	-	-	-	-	-	-	-	-	-	(398,138)
Profit before tax for the period	-	-	-	-	-	-	-	-	-	-	8,223,300

22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements have been approved by the Board of Directors of the Company and are authorised for issue on August 28, 2020.

23 Figures in these condensed interim consolidated financial statements have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

HEAD OFFICE

2ND FLOOR, NADIR HOUSE, I.I. CHUNDRIGR ROAD, KARACHI P.O. BOX NO. 4616 KARACHI, PAKISTAN
U.A.N.: 111-274-000 PHONES: 32415471-3 FAX (92-21) 32415474

BRANCH NAME	ADDRESS	CONTACT NO
NADIR HOUSE	3RD FLOOR, NADIR HOUSE, I. I. CHUNDRIGR ROAD, KARACHI.	(021) 32415471-3
CENTRAL CORPORATE	3RD FLOOR, NADIR HOUSE, I. I. CHUNDRIGR ROAD, KARACHI.	(021) 32415471-3
LAHORE MAIN	OFFICE # 9, 4TH FLOOR, AL-HAFEEZ TOWER, M. M. ALAM ROAD, GULBERG III, LAHORE.	042-35785337-38
ISLAMABAD	OFFICE NO.05, 2ND FLOOR, HAQ CENTER, D- BLOCK, 5TH ROAD, SATLLITE TOWN, RAWALPINDI.	0312-5595674
FAISALABAD	MAIN SUSAN ROAD HOCKEY STADIUM, ADJACENT TO GRAND HOTEL, 1ST FLOOR ALI MOTOR PLAZA MADINA TOWN, FAISALABAD.	0321-9666100
MULTAN	OFFICE NO 16-A FIRST FLOOR ALI ARKEED NEAR CHOCK KATACHERY MULTAN.	0300-7303037
SIALKOT	OFFICE # 309-310, SECOND FLOOR, TARIQ SQUARE, KASHMIR ROAD, SIALKOT.	0300-6150051
GUJRANWALA BRANCH	NEAR SUI GAS GRID STATION, SHAHRA-E-QAID E AZAM, GUJRANWALA CANTT.	0308-7387788



Crescent Star Insurance Limited

ESTD 1957

Head Office:

2nd Floor, Nadir House, I.I. Chundrigar Road, Karachi, Pakistan.

Tel : +92 21 111 274 000

Fax : +92 21 3241 5474

E-mail : info@cstarinsurance.com

URL : www.cstarinsurance.com