



Half Yearly Report June 30, 2021 (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. Huma Javaid* Mr. Syed Sarocsh Ahmed
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	Crowe Hussain Chaudhury & 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	2 nd 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, 2021

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 2021.

General Review

The gross premium written for the half year has been Rs.50.199 million as compared to Rs.53.604 million for the corresponding figures last year. The net premium for the period has been recorded as Rs.47.111 million against Rs.56.676 million of the corresponding period. The profit after tax recorded at Rs.23.909 million. Earnings per share stood at Rs.0.22.

The Company continues to have the view on the following factors and hence continues its efforts in all respective areas identified as:

- 1) Bank Enlistment / limits faced by smaller companies and the failure of the industry to resolve and regulators to provide fair playing grounds keeping in view Competition Act and various related law including but not limited to the unlawful practice and gross violation of the Insurance Ordinance.
- 2) Efforts to continue protecting the Company's / stake holders legal and logical right to continue serving the industry. The Company has successfully defended its stance on various area of business.
- 3) One of effects of Covid 19 has been the delay in the proceedings pending for approval related to merger of Crescent Star Foods (Pvt) Ltd with and into PICIC Insurance Ltd, as the Court is following the Covid Related Policy to hear the cases. The Company is now hopeful of an early approval as soon as the matter is heard by the Honorable Sindh Court for the approval of the Scheme, which can give the expected benefit to your Company, leading to the strategy that the Board has considered.
- 4) The management has been very actively involved with the sponsors and management of Dost Steels Ltd (DSL) and is very hopeful to find a solution to revive DSL for the benefit of the stake of your Company invested in DSL. The management has strong reasons to rely on the recent proposals floated for discussion. Pending the finalization and joint selection of the various proposals under discussion between both managements, your Company is successfully protecting its stake-holders interest.
- 5) The management continues to protect the loss ratio by **PRUDENT UNDERWRITING** as a result of which your Company enjoys on the best loss ratio in the industry.
- 6) Considering the effects of Covid 19 / Lockdowns the management is pleased to report positive results of the Company.

Performance Highlights

The comparative financial highlights for the half year ended 30 June 2021 and 2020 are presented below:-

Rupees in millions (except for EPS)	30 June	30 June	Increase / (Decrease)	
	2021	2020	Amount	%
Gross written premium	50.199	53.604	(3.405)	(6)
Net premium	47.111	56.676	(9.565)	(17)
Profit / (loss) before tax	32.816	39.741	(6.925)	(17)
Profit / (loss) after tax	23.909	33.465	(9.556)	(29)
Total assets	1,375.327	1,300.735	74.592	6
Paid-up capital	1,076.950	1,076.950	-	-
Earnings per share (EPS)	0.22	0.31	(0.090)	(29)

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. 225.392 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. The management strongly believes that the interest charged will be accepted by DSL through revival of DSL once both managements decide on the progress of the various proposals floated for consideration.

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. The management also has positive indicators from cross border situation which has the potential the trade between Pakistan / Afghanistan, which can give a good boost to the core business of your Company.

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 20, 2021

Naim Anwar

Managing Director & CEO

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

میں بورڈ آف ڈائریکٹری کی جانب سے کریسٹنٹ اسٹار انشورنس لمیٹڈ کے مجموعی مالیاتی گوشوارے برائے سہ ماہی مدت 30 جون 2021 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

عمومی جائزہ

سال کی دوسری سہ ماہی مدت کا مجموعی خام پریمیم 50.199 ملین روپے ریکارڈ ہوا جبکہ گزشتہ سال 53.604 ملین روپے تھا۔ پہلی سہ ماہی میں خالص پریمیم 47.111 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں 56.676 ملین روپے تھا۔ بعد از ٹیکس منافع 23.909 ملین روپے رہا۔ فی حصص آمدنی 0.22 پیسے پر رہی۔

کمپنی درج ذیل عوامل پر نظر رکھتی ہے اور اسی وجہ سے تمام متعلقہ شعبوں میں اپنی کوششیں جاری رکھے ہوئے ہے۔

(۱) چھوٹی کمپنیوں کو بینک انٹسٹنٹ / بینک اندراج کے مسئلہ کا سامنا ہے اور صنعت اسکے حل میں ناکام رہی ریگولیٹرز کو چاہئے کہ مسابقتی ایکٹ اور مختلف قانون کو مد نظر رکھتے ہوئے منصفانہ کھیل کے مواقع فراہم کرے بشمول غیر قانونی عمل اور انشورنس آرڈیننس کی سنگین خلاف ورزی تک محدود نہیں۔

(۲) کمپنی کا اپنے اسٹیک ہولڈرز کو قانونی طور پر تحفظ فراہم کرنے کی کوشش اور صنعت کی خدمت جاری رکھنے کا منطقی حق ہے۔ کمپنی نے کاروبار کے مختلف شعبوں میں اپنے موقف کا کامیابی سے دفاع کیا ہے۔

(۳) کوویڈ-19 کے اثرات میں سے ایک کریسٹنٹ اسٹار فوڈز (پرائیویٹ) لمیٹڈ کا پبلک انشورنس لمیٹڈ کے ساتھ انضمام سے متعلق زیر التوا کاروائیوں میں تاخیر ہے کیونکہ عدالت سماعت کے لئے کوویڈ سے متعلقہ پالیسیوں پر عمل پیرا ہے۔ کمپنی کو امید ہے کہ جب عزت ما آب سندھ ہائی کورٹ اس اسکیم کی منظوری کے لئے ساعت کریگی تو جلد از جلد اس کی منظوری مل جائے گی۔

(۴) انتظامیہ، دوست اسٹیل لمیٹڈ (DSL) کے اسپانسرز اور دوست اسٹیل لمیٹڈ کی انتظامیہ کے ساتھ فعال طور پر شامل ہے اور دوست اسٹیل لمیٹڈ میں سرمایہ کاری کرنے والی آپکی کمپنی کے حصص کے فائدہ کے لئے دوبارہ فعال کرنے کے حل تلاش کرنے کے لئے بہت پر امید ہے۔ انتظامیہ کے پاس بحث کے لئے پیش کی گئی حالیہ تجاویز پر انحصار کرنے کی مضبوط وجوہات ہے۔ دونوں انتظامات کے مابین زیر بحث مختلف تجاویز کو حتمی شکل دینے اور مشترکہ انتخاب کے لئے آپکی کمپنی کا میانی سے اپنے اسٹیک ہولڈرز کے مفادات کا تحفظ کر رہی ہے۔

(۵) انتظامیہ محتاط اندر رائٹنگ کے ذریعے نقصان کے تناسب کی حفاظت جاری رکھے ہوئے ہے جسکے نتیجے میں آپکی کمپنی انڈسٹری میں بہترین نقصان کے تناسب سے لطف اندوز ہو رہی ہے۔

(۶) کوویڈ-19 اور لاک ڈاؤن کے باوجود کمپنی کے مثبت نتائج پیش کرنے پر انتظامیہ خوش ہے۔

کارکردگی کی جھلکیاں

کمپنی کی مقابلہ مالیاتی جھلکیاں برائے سہ ماہی مدت 30 جون 2021 اور 2020 درج ذیل ہیں:

روپے ملین (ماسوائے EPS)	30 جون 2021	30 جون 2020	رقم	اضافہ (کمی)
خام پریمیم	50.199	53.604	(3.405)	(6)
خالص پریمیم	47.111	56.676	(9.565)	(17)
منافع قبل از ٹیکس	32.816	39.741	(6.925)	(17)
منافع بعد از ٹیکس	23.909	33.465	(9.556)	(29)
اداشدہ سرمایہ	1,375.327	1,300.735	74.592	6
کل اثاثے	1,076.950	1,076.950	-	-
منافع فی حصص	0.22	0.31	(0.090)	(29)

آڈیٹرز کی رپورٹ

کمپنی نے دوست اسٹیل لمیٹڈ کو حصص جاری کر کے 354.279 ملین روپے کا ایڈوانس دیا ہے۔ محتاط انتظامی پالیسی اور کمپنی ایڈوانس کی رقم پر 225.392 ملین روپے کا سود لگایا ہے اور دوست اسٹیل لمیٹڈ سے اس کا مطالبہ کیا ہے۔ تاہم CSIL اور DSL کے درمیان ایڈوانس کی رقم بچے سود سے متعلق کوئی تحریری معاہدہ دستیاب نہیں ہے، اس لئے آڈیٹرز نے اپنے تحفظات کا اظہار کیا ہے۔ انتظامیہ کا پختہ یقین ہے کہ لگایا گیا سود دوست اسٹیل لمیٹڈ کی بحالی کے ذریعے قبول کر لیا جائے گا ایک بار جب دونوں انتظامیہ مختلف تجاویز پر پیشرفت کے بارے میں فیصلہ کر لیں۔

مستقبل کی پیش بینی

آپ کی کمپنی دوست اسٹیل لمیٹڈ کے انضمام اور سرمایہ کاری کے مثبت نتائج کی منتظر ہے جو کہ ایک مضبوط سرمایہ کاری کا پورٹ فولیو دے سکتی ہے جس سے منافع بخش ریٹرن حاصل ہوگا۔ انتظامیہ کے پاس سرحد پار صورتحال سے مثبت اشارے بھی ہیں جو کہ پاکستان / افغانستان کے درمیان تجارت کی صلاحیت رکھتے ہیں، جو کہ آپ کی کمپنی کے بنیادی کاروبار کو اچھا فروغ دے سکتا ہے۔

اعتراف

کمپنی کے ڈائریکٹر ان اس موقع پر سیکورٹیز 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۔

تنویر احمد

ڈائریکٹر

نعیم انور

مینجنگ ڈائریکٹر اینڈ سی ای او

کراچی: 20 اگست 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF CRESENT STAR INSURANCE LIMITED

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, 2021 and the related condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows, and notes to the condensed interim unconsolidated financial statements for the six-months period then ended (here-in-after referred to as the "condensed unconsolidated interim financial statements"). Management is responsible for the preparation and presentation of this interim 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 information 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 conclusion

- a) As stated in note 10.2 to the unconsolidated financial statements, the Company's carrying value of receivables on account of advance against issue of shares amounts to Rs.79.455 million (as at December 31, 2020: Rs.77.822 million). The management has not carried out impairment testing as required by IAS – 36 "Impairment of Assets". No provision for any loss, if any, that may result, has been incorporated in the unconsolidated financial statements
- b) As stated in note 10.1 to the condensed interim unconsolidated financial statements as at June 30, 2021, the Company has accrued interest of Rs. 225.392 million (as at December 31, 2020 of Rs. 206.107 million) at the rate of 1 year KIBOR plus 3 percent per annum (as at December 31, 2020: 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, 2021 is overstated by Rs. 19.285 million (for the year ended December 31, 2020 by Rs. 42.777 million) and total assets of the Company as at June 30, 2021 are overstated by Rs. 225.392 million (as at December 31, 2020 of Rs. 206.107 million)

- c) As disclosed in the unconsolidated financial statements, the Company has recorded premium receivable amounting to Rs. 290.178 million (as at December 31, 2020: Rs. 264.754 million) out of which Rs. 75.613 million (as at December 31, 2020: Rs. 75.613 million) have been provided as bad debts. However, in the absence of reconciliation, correspondence with the customer and subsequent clearance we are unable to verify the remaining balance of Rs. 214.564 million. Any adjustment to the amount of the above receivable found to be necessary would affect the Company's profit for the year then ended.

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 is 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 profit or loss and condensed interim unconsolidated statement of comprehensive income for the three months period ended June 30, 2021 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, 2021.

The engagement partner on the audit resulting in this independent auditor's report is Imran Shaikh.

Crowe Hussain Chaudhury & Co.
Karachi

Date: August 23, 2021

CRESCENT STAR INSURANCE LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
ASSETS	Note	----- (Rupees) -----	
Property and equipment	7	12,574,155	14,866,552
Investments in subsidiaries	8	150,019,600	150,019,600
Investments			
Equity securities	9	93,696,222	91,756,452
Loans and other receivables	10	900,273,977	866,799,951
Insurance / reinsurance receivables		201,582,497	190,398,461
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense / acquisition cost		6,801,874	6,569,234
Cash and bank	11	7,783,550	10,064,959
Total assets		<u>1,375,327,077</u>	<u>1,333,070,411</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to the 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	174,574,353	151,997,593
Total equity		<u>1,051,874,763</u>	<u>1,029,298,003</u>
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		61,643,007	61,977,955
Unearned premium reserves		47,695,722	45,517,153
Premium deficiency reserves		1,199,759	419,358
Borrowings		135,000	2,592,611
Premium received in advance		2,117,305	2,023,233
Other creditors and accruals	13	175,366,857	163,065,071
Provision for taxation		35,294,664	28,177,027
Total liabilities		<u>323,452,314</u>	<u>303,772,408</u>
Total equity and liabilities		<u>1,375,327,077</u>	<u>1,333,070,411</u>
Contingencies and commitments	14		

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

CRESCENT STAR INSURANCE LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021

	Note	Quarter ended		Half year ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
		----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Net insurance premium	15	22,098,571	29,111,332	47,111,423	56,675,941
Net insurance claims	16	(998,491)	(999,992)	(2,267,687)	(2,711,373)
Premium deficiency		(514,122)	(1,050,269)	(780,401)	(1,050,269)
Net commission expense and other acquisition costs	17	(968,462)	(1,944,935)	(1,602,926)	(2,463,479)
Insurance claims and acquisition expenses		(2,481,075)	(3,995,196)	(4,651,014)	(6,225,121)
Management expenses		(20,764,362)	(17,594,438)	(36,104,992)	(38,451,903)
Underwriting results		(1,146,866)	7,521,698	6,355,417	11,998,917
Investment income	18	4,686,999	2,061,484	4,689,870	2,062,467
Other income		10,992,573	10,771,451	23,055,049	26,702,575
Other expenses		(720,310)	(458,705)	(1,201,010)	(954,396)
Results of operating activities		13,812,397	19,895,928	32,899,326	39,809,563
Finance costs		(10,125)	(71,917)	(82,857)	(233,968)
Profit / (loss) before tax		13,802,272	19,824,011	32,816,469	39,575,595
Taxation		(3,545,937)	(5,724,453)	(8,907,693)	(6,275,553)
Profit / (loss) after tax		10,256,335	14,099,558	23,908,776	33,300,042
Other comprehensive income / (loss)				22,576,760	1,332,016
Unrealized gain on available for sale investments during the period - net of deferred tax		263,936	214,270	1,939,770	799,628
Reclassification adjustments relating to available for sale investments disposed off - net of deferred tax		(3,271,787)	(1,751,518)	(3,271,787)	(1,751,518)
Other comprehensive income / (loss) for the period		(3,007,851)	(1,537,248)	(1,332,017)	(951,890)
Total comprehensive income for the period		7,248,484	12,562,310	22,576,759	32,348,152
Earning per share	19	0.10	0.13	0.22	0.31

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

CRESCENT STAR INSURANCE LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021

Description	Share capital	Discount on issue of right shares	Capital reserves	Revenue reserves		Unappropriated profit	Total equity
			Reserve for exceptional losses	General reserve	Surplus on remeasurement of available for sale investments		
----- (Rupees) -----							
Balance as at January 01, 2020	1,076,950,410	(199,650,000)	1,767,568	24,497,265	451,170	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	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(500,720)	103,395,630	1,006,460,153
Balance as at January 01, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	1,055,391	124,677,369	1,029,298,003
Profit after tax for the period	-	-	-	-	-	23,908,776	23,908,776
Other comprehensive income for the period	-	-	-	-	(1,332,017)	-	(1,332,017)
Balance as at June 30, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(276,626)	148,586,146	1,051,874,763

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

CRESCENT STAR INSURANCE LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	38,580,982	39,621,522
Reinsurance premium paid	(380,954)	(420,348)
Claims paid	(2,602,635)	(3,615,248)
Commission paid	(1,994,703)	(2,332,447)
Commission received	159,137	-
Management expenses paid	(23,803,414)	(27,160,682)
Net cash flow from underwriting activities	9,958,413	6,092,797
(b) Other operating activities		
Income tax paid	(1,790,056)	(365,124)
Other operating payments	(11,500,381)	1,075,086
Net cash outflow from other operating activities	(13,290,437)	709,962
Total cash flow from all operating activities	(3,332,024)	6,802,759
Investment activities		
Profit received	15,888	1,857
Dividend received	4,673,982	2,060,610
Proceeds from investments	(3,271,787)	(1,751,518)
Fixed capital expenditure	(4,736,210)	(1,241,233)
Proceeds from sale of property and equipment	6,909,210	-
Total cash flow from investing activities	3,591,083	(930,284)
Financing activities		
Finance costs paid	(82,857)	(233,968)
Borrowing under Musharaka arrangements obtained - net	(2,457,611)	(549,078)
Total cash from financing activities	(2,540,468)	(783,046)
Net cash flow from all activities	(2,281,409)	5,089,429
Cash and cash equivalents at beginning of year	10,064,959	73,886,978
Cash and cash equivalents at end of period	7,783,550	78,976,407
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	(3,332,024)	6,802,759
Depreciation expense	(1,200,802)	(1,320,693)
Amortization expense	-	(65,868)
Gain /(loss) on disposal of property and equipments	1,081,404	-
Dividend income	4,673,982	2,060,610
Other investment and other income	15,888	1,857
Finance costs	(82,857)	(233,968)
Increase in assets other than cash	44,890,702	40,220,157
(Decrease)/increase in liabilities other than borrowings	(15,019,880)	(8,254,383)
Provision for taxation	(7,117,637)	(5,910,429)
Profit after taxation for the period	23,908,776	33,300,042

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

CRESCENT STAR INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2021

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 months period ended June 30, 2021 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, 2020.

3 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements of the Company for the six months period ended June 30, 2021 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, 2020.

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, 2020. 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, 2020.

			June 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
7	PROPERTY AND EQUIPMENT	Note		
	Operating assets	7.1	<u>12,574,155</u>	<u>14,866,552</u>
7.1	Operating assets			
	Opening written down value		14,866,552	17,507,940
	Add: Additions during the period / year - at cost			
	- Motor vehicles		4,709,211	-
	- Computers and related accessories		27,000	-
			4,736,211	-
	Less: Written down value of deletions		(5,827,806)	-
	Depreciation for the period / year		(1,200,802)	(2,641,388)
			(7,028,608)	(2,641,388)
			<u>12,574,155</u>	<u>14,866,552</u>
8	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>
9	INVESTMENTS			
	Equity securities	9.1	<u>93,696,222</u>	<u>91,756,452</u>
9.1	Equity securities			
	Available-for-sale	9.1.1	<u>93,696,222</u>	<u>91,756,452</u>
9.1.1	Others			
	Listed shares		53,859	49,771
	Mutual funds	9.1.1.1	<u>93,642,363</u>	<u>91,706,681</u>
			<u>93,696,222</u>	<u>91,756,452</u>
9.1.1.1	Securities having market value of Rs. 93.070 million (2020: Rs. 91.193 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.			
			June 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
10	LOAN AND OTHER RECEIVABLES	Note		
	Considered good			
	Accrued investment income		-	-
	Other Security deposits		4,763,952	5,219,438
	Loan to employees		12,000	54,000
	Advance to supplier		260,000	260,000
	Accrued interest on advance against issuance	10.1	225,392,223	206,107,255
	Advance against issuance of shares	10.2	640,872,008	636,693,794
	Others		28,973,794	18,465,464
			<u>900,273,977</u>	<u>866,799,951</u>
10.1	This represents accrued interest on advances against issue of shares, given to Dost Steels Limited. Movement in advances is as follows:			

	June 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
Movement		
Balance as at beginning of the year	206,107,255	163,330,338
Income for the period / year	19,284,968	42,776,917
Balance at the end of the period / year	<u>225,392,223</u>	<u>206,107,255</u>

10.2 This represents advances against issue of shares given to the following parties:

Name of the Company

Dost Steels Limited	354,279,066	354,279,066
Crescent Star Foods (Private) Limited - Subsidiary	207,137,998	204,592,294
Crescent Star Luxury (Private) Limited - Subsidiary	73,089,378	71,456,868
Crescent Star Technologies (Private) Limited - Subsidiary	6,365,566	6,365,566
	<u>640,872,008</u>	<u>636,693,794</u>

10.2.1 The 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 (2020: 1 year KIBOR plus 3%).

	Note	June 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
11 CASH AND BANK			
Cash and other equivalents			
Cash in hand		79,623	82,584
Policy and revenue stamps		21,121	23,460
		<u>100,744</u>	<u>106,044</u>
Cash at bank			
Current accounts		7,464,300	10,269,112
Savings accounts	11.1	540,925	12,222
		8,005,225	10,281,334
Less: provision against dormant accounts		(322,419)	(322,419)
		<u>7,682,806</u>	<u>9,958,915</u>
		<u>7,783,550</u>	<u>10,064,959</u>

11.1 These carry mark-up at the rate of 5.5% (2020: 7.5%) per annum.

12 RESERVES

Capital reserves

Reserve for exceptional losses	1,767,568	1,767,568
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Revenue reserves

General reserve	24,497,265	24,497,265
Unappropriated profit	148,586,146	124,677,369
Surplus on remeasurement of available for sale investments	(276,626)	1,055,391
	<u>174,574,353</u>	<u>151,997,593</u>

		June 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited) -----
Note			
13	OTHER CREDITORS AND ACCRUALS		
	Federal insurance fees	3,095,699	2,650,436
	Federal excise duty	54,739,631	49,237,538
	Payable to staff provident fund	9,013,397	8,425,198
	Withholding tax	63,698,021	61,248,599
	Accrued expenses	13,946,373	16,384,137
	Unclaimed dividend	418,209	418,209
	Others	30,455,527	24,700,954
		<u>175,366,857</u>	<u>163,065,071</u>
14	CONTINGENCIES AND COMMITMENTS		
14.1	CONTINGENCIES		
	The status of contingencies remain unchanged as disclosed in the annual unconsolidated financial statements as of December 31, 2020.		
14.2	COMMITMENTS		
	Post dated cheques	<u>135,000</u>	<u>2,592,611</u>

	Quarter ended		Half year ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	(Un-audited)	Restated (Un-audited)	(Un-audited)	(Un-audited)
----- (Rupees) -----				
15 NET INSURANCE PREMIUM				
Gross written premium	22,885,077	17,748,615	50,199,348	53,603,706
Add : Unearned contribution reserve opening	47,818,572	61,551,986	45,517,153	53,348,333
Less: Unearned contribution reserve closing	(47,695,722)	(50,115,699)	(47,695,722)	(50,115,699)
Premium earned	23,007,927	29,184,902	48,020,779	56,836,340
Less: Reinsurance premium ceded	909,356	-	909,356	-
Add: prepaid reinsurance premium ceded opening	-	173,325	-	260,154
Less: prepaid reinsurance premium ceded closing	-	(99,755)	-	(99,755)
Reinsurance expense	909,356	73,570	909,356	160,399
	22,098,571	29,111,332	47,111,423	56,675,941
16 NET INSURANCE CLAIMS EXPENSE				
Claim paid	1,181,182	1,231,880	2,602,635	3,615,248
Add : Outstanding claims including IBNR closing	61,643,007	60,338,249	61,643,007	60,338,249
Less: Outstanding claims including IBNR opening	(61,825,698)	(60,570,137)	(61,977,955)	(61,242,124)
Claims expense	998,491	999,992	2,267,687	2,711,373
Less: Reinsurance and others recoveries received	-	-	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	-	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	-	-	-
Reinsurance and recoveries revenue	-	-	2,595,202	2,595,202
	998,491	999,992	2,267,687	2,711,373
17 NET COMMISSION EXPENSE				
Commission paid or payable	1,018,007	606,743	1,994,703	2,332,447
Add : Deferred commission expense opening	6,911,466	8,193,981	6,569,234	6,986,821
Less: Deferred commission expense closing	(6,801,874)	(6,855,789)	(6,801,874)	(6,855,789)
	1,127,599	1,944,935	1,762,063	2,463,479
Commission from reinsurers	(159,137)	-	(159,137)	-
Net commission expense	968,462	1,944,935	1,602,926	2,463,479
18 INVESTMENT INCOME				
Income from equity securities				
Available for sale financial assets				
Dividend income	4,673,982	2,060,610	4,673,982	2,060,610
Gain on sale of available for sale investments	-	-	-	-
	4,673,982	2,060,610	4,673,982	2,060,610
Income from bank balances				
Return on bank balances	13,017	874	15,888	1,857
	13,017	874	15,888	1,857
Less: Investment related expenses	-	-	-	-
Investment income	4,686,999	2,061,484	4,689,870	2,062,467

	Quarter ended		Half year ended	
	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)
	----- (Rupees) -----			
19 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	10,256,335	14,099,558	23,908,776	33,300,042
	----- Number -----			
Weighted average number of Ordinary shares	107,695,041	107,695,041	107,695,041	107,695,041
	----- (Rupees) -----			
Earnings per share - basic and diluted	0.10	0.13	0.22	0.31

- 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, 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:

	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited) Restated
	----- (Rupees) -----	
20.1 Subsidiary Companies		
Crescent Star Foods (Private) Limited		
Advance against issuance of shares	2,545,704	1,657,799
Crescent Star Luxury (Private) Limited		
Advance against issuance of shares	1,632,510	141,886
Remuneration to Key Management Personnel	12,214,200	13,897,200
Staff retirement benefits		
Provident fund contribution	586,980	331,500
Markup on outstanding balance of provident fund	460,756	220,980

[illegible]

For the six period ended June 30, 2020

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total
	(Rupees)						
Gross written premium (inclusive of administrative surcharges)	680,039	1,674,034	14,785,816	-	35,648,364	815,454	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
Insurance premium ceded to reinsurers	(25,399)	-	(135,000)	-	-	-	(160,399)
Net insurance premium	1,226,395	1,464,277	19,593,199	568,297	31,648,025	2,175,749	56,675,941
Commission income	-	-	-	-	-	-	-
Net underwriting income	1,226,395	1,464,277	19,593,199	568,297	31,648,025	2,175,749	56,675,941
Insurance claims	-	(1,000,000)	(902,144)	(295,923)	(500,000)	(13,306)	(2,711,373)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	-	(1,000,000)	(902,144)	(295,923)	(500,000)	(13,306)	(2,711,373)
Commission expense	(243,792)	(486,326)	(1,481,867)	(28,415)	(6,150)	(216,929)	(2,463,479)
Management expense	(485,141)	(1,180,442)	(10,870,300)	-	(25,346,312)	(569,708)	(38,451,903)
Premium deficiency reversal / (expense)	-	(38,866)	(1,011,403)	-	-	-	(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)
Underwriting results	497,462	(1,241,357)	5,327,485	243,959	5,795,563	1,375,806	11,998,917
Net investment income							2,062,467
Other income							26,702,575
Other expenses							(954,396)
Result of operating activities							39,809,563
Finance costs							(233,968)
Profit before tax for the period							39,575,595

22 FAIR VALUE

22.1 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.

22.2 All assets and liabilities for which fair value is measured or disclosed in the condensed interim unconsolidated 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:

June 30, 2021										
Not e	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3	
Rupees										
Financial Assets - measured at Fair Value										
Investments	9	-	-	93,696,222	-	-	93,696,222	93,696,222	-	-
Financial Assets - not measured at Fair Value										
Cash and bank	11	-	-	-	7,783,550	-	7,783,550	-	-	-
Insurance / reinsurance receivable		-	-	-	201,582,497	-	201,582,497	-	-	-
Reinsurance recoveries against outstanding claims		-	-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	-	900,273,977	-	900,273,977	-	-	-
		-	-	93,696,222	1,112,235,226	-	1,205,931,448	93,696,222	-	-
Financial liabilities measured at fair value										
		-	-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value										
Provision for outstanding claims including IBNR		-	-	-	-	61,643,007	61,643,007	-	-	-
Other creditors and accruals	13	-	-	-	-	39,887,133	39,887,133	-	-	-
Borrowings		-	-	-	-	135,000	135,000	-	-	-
		-	-	-	-	101,665,140	101,665,140	-	-	-

December 31, 2020									
Note	Carrying Amount						Fair Value of Gain		
	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3

Rupees

Financial Assets - measured at Fair Value

Investments	9	-	-	91,756,452	-	-	91,756,452	91,756,452	-	-
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Financial Assets - not measured at Fair Value

Cash and bank	11	-	-	-	10,064,959	-	10,064,959	-	-	-
Insurance / reinsurance receivable		-	-	-	190,398,461	-	190,398,461	-	-	-
Reinsurance recoveries against outstanding claims		-	-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	-	866,799,951	-	866,799,951	-	-	-
		-	-	91,756,452	1,069,858,573	-	1,161,615,025	91,756,452	-	-

Financial liabilities measured at fair value

		-	-	-	-	-	-	-	-	-
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Financial liabilities - not measured at Fair Value

Provision for outstanding claims including IBNR	13	-	-	-	-	61,977,955	61,977,955	-	-	-
Other creditors and accruals		-	-	-	-	33,544,361	33,544,361	-	-	-
Borrowings		-	-	-	-	2,592,611	2,592,611	-	-	-
		-	-	-	-	98,114,927	98,114,927	-	-	-

23 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 20, 2021.

24 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.

25 GENERAL

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

Chief Executive/ Principal Officer**Director****Director****Director****Chief Financial Officer**

CONSOLIDATED
Financial Statements
for the Period Ended
June 30, 2021

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 period ended June 30, 2021.

The condensed interim consolidated financial information reflects Rs. 0.16 (June 30, 2020: Rs. 0.28) earnings per share for the period under review.

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

	June 30, 2021	June 30, 2020
	----- Rupees -----	
Profit / (loss) before tax	26,202,184	35,809,493
Provision for taxation	(9,106,316)	(5,364,957)
Profit / (loss) after tax	17,095,868	30,444,536
Profit / (loss) attributable to non-controlling interest	(2,906,343)	(1,637,591)
Profit / (loss) attributable to ordinary shareholders	20,002,211	32,082,127
Loss per share	0.16	0.28

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 20, 2021

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 2021 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 0.16 روپے (30 جون 2020 کو 0.28 روپے) منافع فی حصص ظاہر کیا گیا ہے۔

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

30 جون 2020	30 جون 2021	
----- روپے -----		
35,809,493	26,202,184	منافع/(خسارہ) قبل از ٹیکس
(5,364,957)	(9,106,316)	ٹیکس کے لئے اختصاص
30,444,536	17,095,868	منافع/(خسارہ) بعد از ٹیکس
(1,637,591)	(2,906,343)	منافع/(خسارہ) ناقابل گرفت سود سے متعلق
32,082,127	20,002,211	منافع/(خسارہ) عمومی حصص یافتگان سے متعلق
0.28	0.16	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: 20 اگست 2021

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Financial Position
As at June 30, 2021

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
ASSETS	Note	----- (Rupees) -----	
Property and equipment	7	123,120,297	130,713,584
Intangible assets	8	43,762,116	44,596,520
Investments			
Equity securities	9	93,696,222	91,756,452
Loans and other receivables	10	678,547,331	649,201,519
Insurance / reinsurance receivables		201,582,497	190,398,461
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Stock-in-trade		10,107,910	10,107,910
Deferred commission expense / acquisition cost		6,801,874	6,569,234
Cash and bank	11	8,202,335	10,484,476
Total assets		<u>1,168,415,784</u>	<u>1,136,423,358</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to the 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	(107,489,801)	(126,159,995)
Equity attributable to equity holders of the Parent		<u>769,810,609</u>	<u>751,140,415</u>
Non-controlling interest		<u>(30,787,817)</u>	<u>(27,881,474)</u>
Total shareholders' equity		<u>739,022,792</u>	<u>723,258,941</u>
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		61,643,007	61,977,955
Unearned premium reserves		47,695,722	45,517,153
Premium deficiency reserves		1,199,759	419,358
Deferred taxation		2,668,835	2,470,212
Borrowings		135,000	2,592,611
Premium received in advance		2,117,305	2,023,233
Other creditors and accruals	13	279,575,021	270,923,189
Provision for taxation		34,358,343	27,240,706
Total liabilities		<u>429,392,992</u>	<u>413,164,417</u>
Total equity and liabilities		<u>1,168,415,784</u>	<u>1,136,423,358</u>
Contingencies and commitments	14		

The annexed notes from 1 to 25 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, 2021

	Note	Quarter ended		Half year ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
		(Rupees)		(Rupees)	
Net insurance premium	15	22,098,571	29,111,332	47,111,423	56,675,941
Net insurance claims	16	(998,491)	(999,992)	(2,267,687)	(2,711,373)
Premium deficiency		(514,122)	(1,050,269)	(780,401)	(1,050,269)
Net commission expense and other acquisition costs	17	(968,462)	(1,944,935)	(1,602,926)	(2,463,479)
Insurance claims and acquisition expenses		(2,481,075)	(3,995,196)	(4,651,014)	(6,225,121)
Management expenses		(20,764,362)	(17,594,438)	(36,104,992)	(38,451,903)
Underwriting results		(1,146,866)	7,521,698	6,355,417	11,998,917
Investment income	18	4,686,999	2,061,484	4,689,870	2,062,467
Other income		10,992,573	10,771,451	23,055,049	26,702,575
Other expenses		(4,171,535)	(3,065,675)	(7,815,295)	(4,720,498)
Results of operating activities		10,361,171	17,288,958	26,285,041	36,043,461
Finance costs		(10,125)	(71,917)	(82,857)	(233,968)
Profit / (loss) before tax		10,351,046	17,217,041	26,202,184	35,809,493
Taxation		(4,411,769)	(4,813,857)	(9,106,316)	(5,364,957)
Profit / (loss) after tax		5,939,277	12,403,184	17,095,868	30,444,536
Attributable to:					
Owners of the Holding Company		7,815,250	13,494,451	20,002,211	32,082,127
Non-controlling interest		(1,875,973)	(1,091,267)	(2,906,343)	(1,637,591)
		5,939,277	12,403,184	17,095,868	30,444,536
Other comprehensive income / (loss)					
Unrealized gain on available for sale investments during the period - net of deferred tax		263,936	214,270	1,939,770	799,628
Reclassification adjustments relating to available for sale investments disposed off - net of deferred tax		(3,271,787)	(1,751,518)	(3,271,787)	(1,751,518)
Other comprehensive income / (loss) for the period		(3,007,851)	(1,537,248)	(1,332,017)	(951,890)
Total comprehensive income for the period		2,931,426	10,865,936	15,763,851	29,492,646
Earning per share	19	0.06	0.12	0.16	0.28

The annexed notes from 1 to 25 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, 2021

	June 30, 2021	June 30, 2020
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	38,580,982	39,621,521
Reinsurance premium paid	(380,954)	(420,348)
Claims paid	(2,602,635)	(3,615,248)
Commission paid	(1,994,703)	(2,332,447)
Commission received	159,137	-
Management expenses paid	(27,932,360)	(28,956,558)
Net cash flow from underwriting activities	5,829,467	4,296,920
(b) Other operating activities		
Income tax paid	(1,790,056)	(365,124)
Other operating payments	(7,372,167)	2,874,771
Net cash outflow from other operating activities	(9,162,223)	2,509,647
Total cash flow from all operating activities	(3,332,756)	6,806,567
Investment activities		
Profit received	15,888	1,857
Dividend received	4,673,982	2,060,610
Proceeds from investments	(3,271,787)	(1,751,518)
Fixed capital expenditure	(4,736,210)	(1,216,233)
Proceeds from sale of property and equipment	6,909,210	-
Total cash flow from investing activities	3,591,083	(905,284)
Financing activities		
Finance costs paid	(82,857)	(233,968)
Borrowing under Musharaka arrangements obtained - net	(2,457,611)	(549,078)
Total cash from financing activities	(2,540,468)	(783,046)
Net cash flow from all activities	(2,282,141)	5,118,237
Cash and cash equivalents at beginning of year	10,484,476	74,278,628
Cash and cash equivalents at end of period	8,202,335	79,396,865
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	(3,332,756)	6,806,567
Depreciation expense	(6,501,692)	(5,247,347)
Amortization expense	(834,404)	(556,961)
Gain /(loss) on disposal of property and equipments	1,081,405	-
Dividend income	4,673,982	2,060,610
Other investment and other income	15,888	1,857
Finance costs	(82,857)	(233,968)
Increase in assets other than cash	40,762,488	38,420,474
(Decrease)/increase in liabilities other than borrowings	(11,568,549)	(4,896,267)
Provision for taxation	(7,117,637)	(5,910,429)
Profit after taxation for the period	17,095,868	30,444,536

The annexed notes from 1 to 25 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, 2021

	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, 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 (Restated)	-	-	-	-	(951,890)	32,082,127	31,130,237	(1,637,591)	29,492,646
Balance as at June 30, 2020	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(500,720)	(170,308,960)	732,755,563	(24,303,594)	708,451,969
Balance as at Januarv 01, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	1,055,391	(153,480,219)	751,140,415	(27,881,474)	723,258,941
Total comprehensive income for the period	-	-	-	-	(1,332,017)	20,002,211	18,670,194	(2,906,343)	15,763,851
Balance as at June 30, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(276,626)	(133,478,008)	769,810,609	(30,787,817)	739,022,792

The annexed notes from 1 to 25 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 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.

- 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, 2020.

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Company for the six months period ended June 30, 2021 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, 2020.

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, 2020. 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, 2020.

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	
7	PROPERTY AND EQUIPMENT		
Operating assets	7.1	123,120,297	130,713,584
7.1	Operating assets		
Opening written down value		130,713,584	143,333,097
Add: Additions during the period / year - at cost			
- Motor vehicles		4,709,211	1,216,233
- Computers and related accessories		27,000	-
- Office equipment		-	-
- Furniture and fixtures		-	-
		4,736,211	1,216,233
Less: Written down value of deletions		(5,827,806)	(2,089,738)
Depreciation for the period / year		(6,501,692)	(11,746,008)
		(12,329,498)	(13,835,746)
		123,120,297	130,713,584
8	INTANGIBLE ASSETS		
Goodwill at acquisition		28,742,849	28,742,849
Franchise		12,907,744	13,427,371
Computer software		2,111,523	2,426,300
		43,762,116	44,596,520
9	INVESTMENTS		
Equity securities	9.1	93,696,222	91,756,452
9.1	Equity securities		
Available-for-sale	9.1.1	93,696,222	91,756,452
9.1.1	Others		
Listed shares		53,859	49,771
Mutual funds	9.1.1.1	93,642,363	91,706,681
		93,696,222	91,756,452
9.1.1.1	Securities having market value of Rs. 93.070 million (2020: Rs. 91.193 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.		
10	LOAN AND OTHER RECEIVABLES		
Considered good			
Other Security deposits		9,704,159	10,159,645
Loan to employees		12,000	54,000
Advance to supplier		53,397,482	53,397,482
Accrued interest on advance against issuance of shares	10.1	225,392,223	206,107,255
Advance against issuance of shares		354,279,066	354,279,066
Others		35,762,401	25,204,071
		678,547,331	649,201,519
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		206,107,255	163,330,338
Income for the period / year		19,284,968	42,776,917
Balance at the end of the period / year		225,392,223	206,107,255

		June 30, 2021 (Un-audited) ----- (Rupees) -----	December 31, 2020 (Audited)
11 CASH AND BANK			
Cash and other equivalents			
Cash in hand		428,631	431,593
Policy and revenue stamps		21,121	23,460
		<u>449,752</u>	<u>455,053</u>
Cash at bank			
Current accounts		7,534,077	10,339,620
Savings accounts	11.1	540,925	12,222
		<u>8,075,002</u>	<u>10,351,842</u>
Less: provision against dormant accounts		<u>(322,419)</u>	<u>(322,419)</u>
		<u>7,752,583</u>	<u>10,029,423</u>
		<u>8,202,335</u>	<u>10,484,476</u>
11.1	These carry mark-up at the rate of 5.5% (2020: 7.5%) per annum.		
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		(133,478,008)	(153,480,219)
Surplus on remeasurement of available for sale investments		(276,626)	1,055,391
		<u>(107,489,801)</u>	<u>(126,159,995)</u>
13 OTHER CREDITORS AND ACCRUALS			
Trade and related payables		46,042,020	49,182,674
Federal insurance fees		3,095,699	2,650,436
Federal excise duty		54,739,631	49,237,538
Payable to staff provident fund		9,013,397	8,425,198
Withholding tax		82,677,258	80,227,836
Accrued expenses		51,061,870	53,969,634
Unclaimed dividend		418,209	418,209
Others		32,526,937	26,811,664
		<u>279,575,021</u>	<u>270,923,189</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, 2020.		
14.2 COMMITMENTS			
Post dated cheques		<u>135,000</u>	<u>2,592,611</u>

	Quarter ended		Half year ended	
	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)
----- (Rupees) -----				
15 NET INSURANCE PREMIUM				
Gross written premium	22,885,077	17,748,615	50,199,348	53,603,706
Add : Unearned contribution reserve opening	47,818,572	61,551,986	45,517,153	53,348,333
Less: Unearned contribution reserve closing	(47,695,722)	(50,115,699)	(47,695,722)	(50,115,699)
Premium earned	23,007,927	29,184,902	48,020,779	56,836,340
Less: Reinsurance premium ceded	909,356	-	909,356	-
Add: prepaid reinsurance premium ceded opening	-	173,325	-	260,154
Less: prepaid reinsurance premium ceded closing	-	(99,755)	-	(99,755)
Reinsurance expense	909,356	73,570	909,356	160,399
	22,098,571	29,111,332	47,111,423	56,675,941
16 NET INSURANCE CLAIMS EXPENSE				
Claim paid	1,181,182	1,231,880	2,602,635	3,615,248
Add : Outstanding claims including IBNR closing	61,643,007	60,338,249	61,643,007	60,338,249
Less: Outstanding claims including IBNR opening	(61,825,698)	(60,570,137)	(61,977,955)	(61,242,124)
Claims expense	998,491	999,992	2,267,687	2,711,373
Less: Reinsurance and others recoveries received	-	-	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	-	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	-	-	-
Reinsurance and recoveries revenue	-	-	2,595,202	2,595,202
	998,491	999,992	2,267,687	2,711,373
17 NET COMMISSION EXPENSE				
Commission paid or payable	1,018,007	606,743	1,994,703	2,332,447
Add : Deferred commission expense opening	6,911,466	8,193,981	6,569,234	6,986,821
Less: Deferred commission expense closing	(6,801,874)	(6,855,789)	(6,801,874)	(6,855,789)
	1,127,599	1,944,935	1,762,063	2,463,479
Commission from reinsurers	(159,137)	-	(159,137)	-
Net commission expense	968,462	1,944,935	1,602,926	2,463,479
18 INVESTMENT INCOME				
Income from equity securities				
Available for sale financial assets				
Dividend income	4,673,982	2,060,610	4,673,982	2,060,610
Gain on sale of available for sale investments	-	-	-	-
	4,673,982	2,060,610	4,673,982	2,060,610
Income from bank balances				
Return on bank balances	13,017	874	15,888	1,857
	13,017	874	15,888	1,857
Less: Investment related expenses	-	-	-	-
Investment income	4,686,999	2,061,484	4,689,870	2,062,467

	Quarter ended		Half year ended	
	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)
	----- (Rupees) -----			
19 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	5,939,277	12,403,184	17,095,868	30,444,536
	----- Number -----			
Weighted average number of Ordinary shares	107,695,041	107,695,041	107,695,041	107,695,041
	----- (Rupees) -----			
Earnings per share - basic and diluted	0.06	0.12	0.16	0.28

19.1 No figure for diluted earnings per share has been presented as the Group 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 Group. 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 consolidated financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

	June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)
	----- (Rupees) -----	
20.1 Remuneration to Key Management Personnel	12,214,200	13,897,200
Staff retirement benefits		
Provident fund contribution	586,980	331,500
Markup on outstanding balance of provident fund	460,756	220,980

	For the six months period ended June 30, 2021										
Current period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Foods	Technologies	Luxury	Aggregate
	(Rupees)										
Gross written premium (Inclusive of administrative surcharges)	337,273	1,949,994	5,800,251	-	38,084,991	4,026,839	50,199,348	-	-	-	50,199,348
Insurance premium earned	366,246	1,420,192	4,913,237	-	38,790,971	2,530,133	48,020,779	-	-	-	48,020,779
Insurance premium ceded to reinsurers	-	-	-	-	(909,356)	-	(909,356)	-	-	-	(909,356)
Net Insurance premium	366,246	1,420,192	4,913,237	-	37,881,616	2,530,133	47,111,423	-	-	-	47,111,423
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	366,246	1,420,192	4,913,237	-	37,881,616	2,530,133	47,111,423	-	-	-	47,111,423
Insurance claims	-	(1,500,000)	(654,632)	(87,805)	-	(25,250)	(2,267,687)	-	-	-	(2,267,687)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	-	(1,500,000)	(654,632)	(87,805)	-	(25,250)	(2,267,687)	-	-	-	(2,267,687)
Commission expense	(58,638)	(610,638)	(408,099)	-	(367,930)	(157,621)	(1,602,926)	-	-	-	(1,602,926)
Management expense	(235,065)	(1,340,480)	(4,132,041)	-	(27,560,081)	(2,837,325)	(36,104,992)	-	-	-	(36,104,992)
Premium deficiency reversal / (expense)	-	(142,712)	(637,689)	-	-	-	(780,401)	-	-	-	(780,401)
Net insurance claims and expenses	(293,703)	(3,593,830)	(5,832,461)	(87,805)	(27,928,011)	(3,020,196)	(40,756,006)	-	-	-	(40,756,006)
Underwriting results	72,543	(2,173,638)	(919,224)	(87,805)	9,953,605	(490,063)	6,355,417	-	-	-	6,355,417
Net investment income	-	-	-	-	-	-	-	-	-	-	4,689,870
Other income	-	-	-	-	-	-	-	-	-	-	23,055,049
Other expenses	-	-	-	-	-	-	(1,201,010)	(5,608,025)	(105,381)	(900,879)	(7,815,295)
Result of operating activities	-	-	-	-	-	-	-	-	-	-	26,285,041
Finance costs	-	-	-	-	-	-	(82,857)	-	-	-	(82,857)
Profit before tax for the period	-	-	-	-	-	-	-	-	-	-	26,202,184

	For the six period ended June 30, 2020										
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)	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	31,648,024	2,175,749	56,836,340	-	-	-	56,836,340
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	31,648,024	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	31,648,024	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)	-	-	-	(38,4

22 FAIR VALUE

22.1 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.

22.2 All assets and liabilities for which fair value is measured or disclosed in the condensed interim consolidated 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:

June 30, 2021									
Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3
Rupees									
Financial Assets - measured at Fair Value									
Investments	9	-	-	93,696,222	-	-	93,696,222	93,696,222	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	8,202,335	-	8,202,335	-	-	-
Insurance / reinsurance receivable		-	-	201,582,497	-	201,582,497	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	678,547,331	-	678,547,331	-	-	-
		-	-	93,696,222	-	93,696,222	-	-	-
		-	-	890,927,365	-	890,927,365	-	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR	13	-	-	-	61,643,007	61,643,007	-	-	-
Other creditors and accruals		-	-	-	41,958,543	41,958,543	-	-	-
Borrowings		-	-	-	135,000	135,000	-	-	-
		-	-	-	103,736,550	103,736,550	-	-	-
December 31, 2020									
Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Carrying Amount			Fair Value of Gain		
				Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3
Rupees									
Financial Assets - measured at Fair Value									
Investments	9	-	-	91,756,452	-	-	91,756,452	91,756,452	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	10,484,476	-	10,484,476	-	-	-
Insurance / reinsurance receivable		-	-	190,398,461	-	190,398,461	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	649,201,519	-	649,201,519	-	-	-
		-	-	91,756,452	-	91,756,452	-	-	-
		-	-	852,679,658	-	852,679,658	-	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR	13	-	-	-	61,977,955	61,977,955	-	-	-
Other creditors and accruals		-	-	-	35,655,071	35,655,071	-	-	-
Borrowings		-	-	-	2,592,611	2,592,611	-	-	-
		-	-	-	100,225,637	100,225,637	-	-	-

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements have been approved by the Board of Directors of the Group and are authorised for issue on August 20, 2021.

24 IMPACT OF COVID-19 ON OPERATIONS

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

25 GENERAL

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

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ISLAMABAD	OFFICE NO.05, 2ND FLOOR, HAQ CENTER, D- BLOCK, 5TH ROAD, SATLLITE TOWN, RAWALPINDI.	0312-5595674
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



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