



Your Security - Our Policy

Quarterly Report March 31, 2022 (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 Ms. Rabia Omar Hassan*
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) Ms. Naveeda Mahmud Ms. Huma Javaid
Board H.R & Remuneration Committee	Ms. Huma Javaid (Chairman) Mr. Naim Anwar Mr. Shaikh Waqar Ahmed
Board Investment Committee	Mr. Naim Anwar (Chairman) Mr. Shaikh Waqar Ahmed Ms. Huma Javaid
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
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
March 31, 2022

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 unconsolidated financial statements for the three months ended 31 March 2022.

General Review

Although there has been a decline in the overall performance of the business but it is still encouraging to see the progress of your Company in the first quarter of the year. The Company is still showing a profitable trend reason being cutting off expenses and control on claim ratio has been a result of an extensive strategy followed by the management. The prudent underwriting policies and professional expertise of the management team has been successfully reflected in operational results of the Company in addition to support from other areas of business.

The gross premium written for the first quarter of the year has been Rs. 28.239 million as compared to Rs. 27.314 million for the corresponding period. There has been a marginal increase in the Company operational activities due to impact of Covid-19 on the overall performance of the industry, but still Company has managed to retain its financial position. The net premium shows a decline which has been recorded at Rs. 23.621 million against Rs. 25.013 million for the corresponding period. Profit after tax recorded at Rs. 10.542 million still showing an overall profit. Earnings per share stood at Rs. 0.10.

Performance Highlights

The comparative financial highlights for the first quarter ended 31 March 2022 and 2021 are presented below:-

Rupees in millions (except for EPS)	31 March	31 March	Increase / (Decrease)	
	2022	2021	Amount	%
Gross written premium	28.239	27.314	0.93	3
Net premium	23.621	25.013	(1.39)	(6)
Profit before tax	14.407	19.014	(4.61)	(24)
Profit after tax	10.542	13.652	(3.11)	(23)
Total assets	1,424.708	1,360.553	64.16	5
Paid-up capital	1,076.950	1,076.950	-	-
Earnings per share (EPS) Rs.	0.10	0.13	(0.03)	(23)

Future Outlook

The Company intends to expand its core business of underwriting, while continuing to voice its concerns on the underlying issues of Bank and Institutions / Departments enlistment and limits issue in sheer violation of Insurance Ordinance / Competition Act and SBP circular. Assistance by all relevant authorities on the fair concerns raised by the Insurance Sector will no doubt not only help your Company but will increase the penetration of Insurance in Pakistan which has been highlighted by the sector continuously over years. Fundamental Right of doing business is the only fair demand of the sector. The Company is confidently looking forward to the approval of the Scheme of Arrangement by the Honorable Sindh High Court of the merger of its subsidiary Crescent Star Foods (Private) Limited with and into PICIC Insurance Limited.

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: April 22, 2022

Naim Anwar
Managing Director & CEO

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

میں بورڈ آف ڈائریکٹری کی جانب سے غیر آڈٹ شدہ مجموعی مالیاتی گوشوارے برائے سہ ماہی مدت 31 مارچ 2022 پیش کرتا ہوں۔

عمومی جائزہ

اگرچہ کاروبار کی مجموعی کارکردگی میں کمی واقع ہوئی ہے لیکن سال کی پہلی سہ ماہی میں آپ کی کمپنی کی پیشرفت دیکھنا بہت حوصلہ افزا ہے۔ اخراجات میں کٹوتی اور کلیم کے تناسب پر قابو پانا انتظامیہ کی موثر حکمت عملی کا نتیجہ ہے۔ کاروبار کے دیگر شعبوں کی حمایت کے علاوہ، انتظامیہ کی ذہانت انڈر رائٹنگ پالیسیاں اور انتظامی ٹیم کی پیشہ ورانہ مہارت کامیابی کے ساتھ کمپنی کے آپریشنل نتائج میں بھی جھلکتی ہے۔

سال کی پہلی سہ ماہی مدت کا مجموعی خام پریمیوم 28.239 ملین روپے ریکارڈ ہوا جبکہ گزشتہ سال 27.314 ملین روپے تھا۔ چونکہ کمپنی کی اپریٹنگ سرگرمیوں میں معمولی اضافہ ہوا اور یہ Covid-19 کی وجہ سے ہے کہ صنعت کی مجموعی کارکردگی پر بھی اس کی اثرات مرتب ہوئے لیکن کمپنی اپنی مالی حیثیت برقرار رکھنے میں کامیاب رہی۔ خالص پریمیوم میں کمی دیکھنے میں آئی اور 23.621 ملین روپے پر ریکارڈ ہوا جبکہ گزشتہ سال اسی مدت میں 25.013 ملین روپے تھا۔ بعد از ٹیکس منافع 10.542 ملین روپے رہا۔ فی حصص آمدنی 0.10 روپے پر رہی۔

کارکردگی کی جھلکیاں

کمپنی کی متقابلہ مالیاتی جھلکیاں برائے سہ ماہی مدت 31 مارچ 2022 درج ذیل ہیں:

روپے ملین (ماسوائے EPS)	31 مارچ 2022	31 مارچ 2021	رقم	اضافہ / (کمی)
خام پریمیوم	28.239	27.314	0.93	3%
خالص پریمیوم	23.621	25.013	(1.39)	(6)
منافع قبل از ٹیکس	14.407	19.014	(4.61)	(24)
منافع بعد از ٹیکس	10.542	13.652	(3.11)	(23)
ادا شدہ سرمایہ	1,424.708	1,360.553	64.16	5
کل اثاثے	1,076.950	1,076.950	-	-
منافع فی حصص	0.10	0.13	(0.03)	(23)

مستقبل کی پیش بینی

کمپنی کا بنیادی کاروبار انڈر رائٹنگ ہے، جبکہ انشورنس آرڈیننس / مسابقت اور اسٹیٹ بینک سرکلر کی سراسر خلاف ورزی پر بینک اور اداروں / محکموں کے اندراج اور حد کے معاملے پر اپنے تحفظات جاری رکھے ہوئے ہے۔ انشورنس سیکٹر کی جانب سے اٹھائے جانے والے منصفانہ خدشات پر تمام متعلقہ حکام کی مدد سے کوئی شک نہیں کہ وہ نہ صرف آپ کی کمپنی کی مدد کریگا بلکہ پاکستان کے انشورنس کے دخول میں بھی اضافہ ہوگا جو اس شعبہ کے زریعہ کئی سالوں سے نمایاں رہا ہے۔ کاروبار کرنے کا بنیادی حق اس شعبہ کا واحد منصفانہ مطالبہ ہے۔ کمپنی اس کے ماتحت ادارہ کریڈٹ اسٹارٹ اپ (پرائیوٹ) لیمیٹڈ کے پبلک انشورنس لیمیٹڈ کے ساتھ انضمام کیلئے معزز سندھ ہائی کورٹ کے زریعہ اسکیم آف ارجنٹ کی منظوری کیلئے پراعتماد طور پر منتظر ہے۔

اعتراف

کمپنی کے ڈائریکٹران 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۔

نعیم انور
مینجنگ ڈائریکٹر اینڈ سی ای او

تنویر احمد
ڈائریکٹر
کراچی: 22 اپریل 2022

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Financial Position
As at March 31, 2022

		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
ASSETS	Note	----- (Rupees) -----	
Property and equipment	7	10,946,931	11,336,340
Investments in subsidiaries	8	150,019,600	150,019,600
Investments			
Equity securities	9	101,806,035	97,496,853
Loans and other receivables	10	928,494,706	915,153,784
Insurance / reinsurance receivables		220,632,845	208,369,456
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense / acquisition cost		6,117,999	5,699,999
Prepayments		-	26,400
Cash and bank	11	4,094,625	13,868,324
Total assets		<u>1,424,707,943</u>	<u>1,404,565,958</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	214,153,135	201,302,044
Total equity		<u>1,091,453,545</u>	<u>1,078,602,454</u>
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		67,049,135	67,702,359
Unearned premium reserves		45,249,881	40,631,852
Premium deficiency reserves		1,106,225	1,106,225
Premium received in advance		5,452,732	1,385,930
Other creditors and accruals	13	179,238,322	183,813,310
Provision for taxation		35,158,103	31,323,828
Total liabilities		<u>333,254,398</u>	<u>325,963,504</u>
Total equity and liabilities		<u>1,424,707,943</u>	<u>1,404,565,958</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 March 31, 2022

		March 31, 2022	March 31, 2021
	Note	----- (Rupees) -----	
Net insurance premium	15	23,620,878	25,012,852
Net insurance claims	16	(573,716)	(1,269,196)
Premium deficiency		-	(266,279)
Net commission expense and other acquisition costs	17	(1,096,418)	(634,464)
Insurance claims and acquisition expenses		(1,670,134)	(2,169,939)
Management expenses		(21,239,401)	(15,340,630)
Underwriting results		711,344	7,502,283
Investment income	18	8,745	2,871
Other income		14,099,524	12,062,476
Other expenses		(412,532)	(480,700)
Results of operating activities		14,407,081	19,086,930
Finance costs		-	(72,732)
Profit before tax		14,407,081	19,014,198
Taxation		(3,865,172)	(5,361,756)
Profit after tax		10,541,909	13,652,442
Other comprehensive income / (loss)			
Unrealized gain on available for sale investments during the period - net of deferred tax		2,309,182	1,675,834
Reclassification adjustments relating to available for sale investments disposed off - net of deferred tax		-	-
Other comprehensive income / (loss) for the period		2,309,182	1,675,834
Total comprehensive income for the period		12,851,091	15,328,276
Earning per share	19	0.10	0.13

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 Cash Flow Statement (Un-audited)
For the period ended March 31, 2022

	March 31, 2022	March 31, 2021
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	20,042,320	18,038,061
Reinsurance premium paid	-	(829,276)
Claims paid	(1,226,940)	(1,421,453)
Commission paid	(1,514,418)	(976,696)
Commission received	-	-
Management expenses paid	(25,822,010)	(10,431,324)
Net cash flow from underwriting activities	(8,521,048)	4,379,312
(b) Other operating activities		
Income tax paid	(30,897)	(124,218)
Other operating payments	785,002	(4,789,462)
Net cash outflow from other operating activities	754,105	(4,913,680)
Total cash inflow from all operating activities	(7,766,943)	(534,368)
Investment activities		
Profit received	8,745	2,871
Dividend received	-	-
Proceeds from investments	(2,000,000)	-
Proceeds from / (Payments for) disposal of investments	-	-
Fixed capital expenditure	(15,500)	2,200,000
Proceeds from sale of property and equipment	-	-
Total cash inflow/(outflow) from investing activities	(2,006,755)	2,202,871
Financing activities		
Finance costs paid	-	(72,732)
Borrowing under Musharaka arrangements obtained - net	-	(2,255,111)
Total cash (outflow) from financing activities	-	(2,327,843)
Net cash inflow / (outflow) from all activities	(9,773,698)	(659,340)
Cash and cash equivalents at beginning of year	13,868,323	10,064,959
Cash and cash equivalents at end of period	4,094,625	9,405,619
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	(7,766,943)	(534,368)
Depreciation expense	(404,910)	(506,472)
Amortization expense	-	-
Profit on disposal of property and equipments	-	1,081,404
Dividend income	-	-
Other investment and other income	8,745	2,871
Finance costs	-	(72,732)
Increase in assets other than cash	25,995,911	28,090,767
(Decrease) in liabilities other than borrowings	(3,456,619)	(9,171,490)
Provision for taxation	(3,834,275)	(5,237,538)
Profit after taxation for the period	10,541,909	13,652,442

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 March 31, 2022

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, 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	-	-	-	-	-	13,652,442	13,652,442
Other comprehensive income for the period	-	-	-	-	1,675,834	-	1,675,834
Balance as at March 31, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	2,731,225	138,329,811	1,044,626,279
Balance as at January 01, 2022	1,076,950,410	(199,650,000)	1,767,568	24,497,265	3,515,706	171,521,505	1,078,602,454
Profit after tax for the period	-	-	-	-	-	10,541,909	10,541,909
Other comprehensive income for the period	-	-	-	-	2,309,182	-	2,309,182
Balance as at March 31, 2022	1,076,950,410	(199,650,000)	1,767,568	24,497,265	5,824,888	182,063,414	1,091,453,545

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

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 three months period ended March 31, 2022 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, 2021.

3 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements of the Company for the three months period ended March 31, 2022 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, 2021.

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, 2021. 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, 2021.

		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- (Rupees) -----	-----
7	PROPERTY AND EQUIPMENT		
	Operating assets	10,946,931	11,336,340
7.1	Operating assets		
	Opening written down value	11,336,340	11,367,104
	Add: Additions during the period / year - at cost		
	- Motor vehicles	-	7,136,210
	- Computers and related accessories	15,500	27,000
	- Office equipment	-	-
	- Furniture and fixtures	-	-
		15,500	7,163,210
	Less: Written down value of deletions		
	Depreciation for the period / year	(404,910)	(5,197,739)
		(404,910)	(1,996,235)
		(404,910)	(7,193,974)
		10,946,931	11,336,340
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
		150,019,600	150,019,600
9	INVESTMENTS		
	Equity securities	9.1 101,806,035	97,496,853
	Debt securities	-	-
9.1	Equity securities		
	Available-for-sale	9.1.1 101,806,035	97,496,853
9.1.1	Others		
	Listed shares	58,883	50,026
	Mutual funds	9.1.1.1 101,747,152	97,446,827
		101,806,035	97,496,853
9.1.1.1	Securities having market value of Rs. 99.107 million (2021: Rs. 96.868 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		
	<i>Considered good</i>		
	Other Security deposits	5,159,438	5,159,438
	Loan to employees	57,625	77,250
	Advance to supplier	260,000	260,000
	Accrued interest on advance against issuance of shares	10.1 260,243,955	247,374,404
	Advance against issuance of shares	10.2 642,737,838	642,257,290
	Others	20,035,850	20,025,402
		928,494,706	915,153,784
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	247,374,404	206,107,255
	Income for the period / year	12,869,551	41,267,149
	Balance at the end of the period / year	260,243,955	247,374,404
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	208,714,833	208,369,285
	Crescent Star Luxury (Private) Limited - Subsidiary	73,349,343	73,239,343
	Crescent Star Technologies (Private) Limited - Subsidiary	6,394,596	6,369,596
		642,737,838	642,257,290

	March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
	----- (Rupees) -----	
11 CASH AND BANK		
Cash and other equivalents		
Cash in hand	17,884	27,910
Policy and revenue stamps	<u>12,060</u>	<u>4,670</u>
	29,944	32,580
Cash at bank		
Current accounts	3,807,881	13,942,672
Savings accounts	579,219	215,491
	4,387,100	14,158,163
Less: provision against dormant accounts	(322,419)	(322,419)
	4,064,681	13,835,744
	4,094,625	13,868,324
11.1 These carry mark-up at the rate of 8.25% (2021: 8.25%) 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	182,063,414	171,521,505
Surplus on remeasurement of available for sale investments	2,309,182	3,515,706
	210,637,429	201,302,044
13 OTHER CREDITORS AND ACCRUALS		
Federal insurance fees	2,896,356	3,460,172
Federal excise duty	52,225,928	59,132,797
Payable to staff provident fund	8,589,382	8,192,880
Withholding tax	62,547,946	66,205,216
Accrued expenses	16,086,971	18,409,416
Unclaimed dividend	418,209	418,209
Others	25,183,813	27,994,620
	167,948,605	183,813,310
14 CONTINGENCIES AND COMMITMENTS		

The status of contingencies remain unchanged as disclosed in the annual unconsolidated financial statements as of December 31, 2021.

	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
----- (Rupees) -----		
15 NET INSURANCE PREMIUM		
Gross written premium	28,238,907	27,314,271
Add : Unearned contribution reserve opening	40,631,852	45,517,153
Less: Unearned contribution reserve closing	(45,249,881)	(47,818,572)
Premium earned	23,620,878	25,012,852
Less: Reinsurance premium ceded	-	-
Add: prepaid reinsurance premium ceded opening	-	-
Less: prepaid reinsurance premium ceded closing	-	-
Reinsurance expense	-	-
	23,620,878	25,012,852
16 NET INSURANCE CLAIMS EXPENSE		
Claim paid	1,226,940	1,421,453
Add : Outstanding claims including IBNR closing	67,049,135	61,825,698
Less: Outstanding claims including IBNR opening	(67,702,359)	(61,977,955)
Claims expense	573,716	1,269,196
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	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-
	573,716	1,269,196
17 NET COMMISSION EXPENSE		
Commission paid or payable	1,514,418	976,696
Add : Deferred commission expense opening	5,699,999	6,569,234
Less: Deferred commission expense closing	(6,117,999)	(6,911,466)
Net commission expense	1,096,418	634,464
18 INVESTMENT INCOME		
Income from equity securities		
Available for sale financial assets		
Dividend income	-	-
Gain on sale of available for sale investments	-	-
	-	-
Income from bank balances		
Return on bank balances	8,745	2,871
	8,745	2,871
Less: Investment related expenses	-	-
Investment income	8,745	2,871

	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- (Rupees) -----	
19 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax for the period	<u>10,541,909</u>	<u>13,652,442</u>
	----- Number -----	
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>107,695,041</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>0.10</u>	<u>0.13</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, 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:

	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- (Rupees) -----	
20.1 Subsidiary Companies		
Crescent Star Foods (Private) Limited		
Advance against issuance of shares	345,548	1,969,054
Crescent Star Luxury (Private) Limited		
Advance against issuance of shares	110,000	1,386,010
Remuneration to Key Management Personnel	6,393,810	6,107,100
Staff retirement benefits		
Provident fund contribution	287,434	293,490
Markup on outstanding balance of provident fund	332,070	220,721

21 SEGMENT INFORMATION

	For the three months period ended March 31, 2022						
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total
Current period	(Rupees)						
Gross written premium (inclusive of administrative surcharges)	124,827	1,739,919	4,273,604	-	15,134,117	6,966,440	28,238,907
Insurance premium earned	112,330	1,661,075	2,340,083	-	16,192,887	3,314,503	23,620,878
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-
Net insurance premium	112,330	1,661,075	2,340,083	-	16,192,888	3,314,503	23,620,878
Commission income	-	-	-	-	-	-	-
Net underwriting income	112,330	1,661,075	2,340,083	-	16,192,888	3,314,503	23,620,878
Insurance claims	-	-	(518,716)	-	(55,000)	-	(573,716)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	-	-	(518,716)	-	(55,000)	-	(573,716)
Commission expense	(20,963)	(599,284)	(188,456)	-	(398,385)	110,670	(1,096,418)
Management expense	(92,790)	(1,274,489)	(3,220,603)	-	(11,545,333)	(5,106,185)	(21,239,400)
Premium deficiency reversal / (expense)	-	-	-	-	-	-	-
Net insurance claims and expenses	(113,753)	(1,873,773)	(3,927,775)	-	(11,998,718)	(4,995,515)	(22,909,534)
Underwriting results	(1,423)	(212,698)	(1,587,692)	-	4,194,170	(1,681,012)	711,344
Net investment income							8,745
Other income							14,099,524
Other expenses							(412,532)
Result of operating activities							14,407,081
Finance costs							-
Profit before tax for the period							14,407,081

	For the three months period ended March 31, 2021						
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total
Prior period	(Rupees)						
Gross written premium (inclusive of administrative surcharges)	222,662	1,092,607	1,724,224	-	22,175,549	2,099,229	27,314,271
Insurance premium earned	201,263	1,135,268	2,758,642	-	19,891,195	1,026,484	25,012,852
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-
Net insurance premium	201,263	1,135,268	2,758,642	-	19,891,195	1,026,484	25,012,852
Commission income	-	-	-	-	-	-	-
Net underwriting income	201,263	1,135,268	2,758,642	-	19,891,195	1,026,484	25,012,852
Insurance claims	-	(900,000)	(270,391)	(87,805)	-	(11,000)	(1,269,196)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	-	(900,000)	(270,391)	(87,805)	-	(11,000)	(1,269,196)
Commission expense	(26,540)	(396,171)	(196,288)	-	48,282	(63,747)	(634,464)
Management expense	(121,281)	(588,981)	(953,237)	-	(12,517,859)	(1,159,272)	(15,340,630)
Premium deficiency reversal / (expense)	-	(2,396)	(263,883)	-	-	-	(266,279)
Net insurance claims and expenses	(147,821)	(1,887,548)	(1,683,799)	(87,805)	(12,469,577)	(1,234,019)	(17,510,569)
Underwriting results	53,442	(752,280)	1,074,843	(87,805)	7,421,618	(207,535)	7,502,283
Net investment income							2,871
Other income							12,062,476
Other expenses							(480,700)
Result of operating activities							19,086,930
Finance costs							(72,732)
Profit before tax for the period							19,014,198

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:

March 31, 2022									
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	-	101,806,035	-	-	101,806,035	101,806,035	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	4,094,625	-	4,094,625	-	-	-
Insurance / reinsurance receivable		-	-	220,632,845	-	220,632,845	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	928,494,706	-	928,494,706	-	-	-
		-	101,806,035	1,155,817,378	-	1,257,623,413	101,806,035	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	67,049,135	67,049,135	-	-	-
Other creditors and accruals	13	-	-	-	179,238,322	179,238,322	-	-	-
Borrowings		-	-	-	-	-	-	-	-
		-	-	-	246,287,457	246,287,457	-	-	-

December 31, 2021									
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	-	93,432,286	-	-	93,432,286	93,432,286	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	9,405,619	-	9,405,619	-	-	-
Insurance / reinsurance receivable		-	-	202,376,462	-	202,376,462	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	882,570,485	-	882,570,485	-	-	-
		-	93,432,286	1,096,947,768	-	1,190,380,054	93,432,286	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	61,825,698	61,825,698	-	-	-
Other creditors and accruals	13	-	-	-	34,191,404	34,191,404	-	-	-
Borrowings		-	-	-	337,500	337,500	-	-	-
		-	-	-	96,354,602	96,354,602	-	-	-

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 April 22, 2022.

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
March 31, 2022

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 March 31, 2022.

The condensed interim consolidated financial information reflects Rs. 0.08 (March 31, 2021: Rs. 0.10) earnings per share for the period under review.

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

	March 31, 2022	March 31, 2021
	----- Rupees -----	-----
Profit / (loss) before tax	11,598,524	15,851,138
Provision for taxation	(3,264,492)	(4,694,547)
Profit / (loss) after tax	<u>8,334,032</u>	<u>11,156,591</u>
Profit / (loss) attributable to non-controlling interest	(948,993)	(1,030,370)
Profit / (loss) attributable to ordinary shareholders	<u><u>9,283,025</u></u>	<u><u>12,186,961</u></u>
Loss per share	<u><u>0.08</u></u>	<u><u>0.10</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: April 22, 2022

اشتمال شدہ مالیاتی گوشواں پر ڈائریکٹران کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں کریڈٹ اسٹار انشورنس لمیٹڈ اور ذیلی کمپنیوں، کریڈٹ اسٹار لگژری (پرائیویٹ) لمیٹڈ، کریڈٹ اسٹار فوڈز (پرائیویٹ) لمیٹڈ اور کریڈٹ اسٹار ٹیکنالوجیز (پرائیویٹ) لمیٹڈ کے مختتمہ مالیاتی گوشوارے برائے سہ ماہی مدت 31 مارچ 2022 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 0.08 روپے (31 مارچ 2021 کو 0.10 روپے) منافع فی حصص ظاہر کیا گیا ہے۔

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

31 مارچ 2021	31 مارچ 2022	
----- روپے -----		
15,851,138	11,598,524	منافع / (خسارہ) قبل از ٹیکس
(4,694,547)	(3,264,492)	ٹیکس کے لئے اختصاص
11,156,591	8,334,032	منافع / (خسارہ) بعد از ٹیکس
(1,030,370)	(948,993)	منافع / (خسارہ) ناقابل گرفت سود سے متعلق
12,186,961	9,283,025	منافع / (خسارہ) عمومی حصص یافتگان سے متعلق
0.10	0.08	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: 22 اپریل 2022

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Financial Position
As at March 31, 2022

		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
		----- (Rupees) -----	
ASSETS			
	Note		
Property and equipment	7	114,343,849	117,116,332
Intangible assets	8	42,635,671	43,011,154
Investments			
Equity securities	9	101,806,035	97,496,853
Loans and other receivables	10	704,902,230	692,041,856
Insurance / reinsurance receivables		220,632,845	208,369,456
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense / acquisition cost		6,117,999	5,699,999
Stock-in-trade		8,837,066	8,837,066
Prepayments		-	26,400
Cash and bank	11	4,513,041	14,286,739
Total assets		<u>1,206,383,938</u>	<u>1,189,481,057</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	(73,313,077)	(84,905,284)
Equity attributable to equity holders of the Parent		803,987,333	792,395,126
Non-controlling interest		(35,253,911)	(34,304,918)
Total shareholders' equity		768,733,422	758,090,208
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		67,049,135	67,702,359
Unearned premium reserves		45,249,881	40,631,852
Premium deficiency reserves		1,106,225	1,106,225
Deferred taxation		2,721,969	3,322,649
Premium received in advance		5,452,732	1,385,930
Other creditors and accruals	13	281,848,791	286,854,327
Provision for taxation		34,221,783	30,387,507
Total liabilities		437,650,516	431,390,849
Total equity and liabilities		<u>1,206,383,938</u>	<u>1,189,481,057</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 March 31, 2022

		March 31, 2022	March 31, 2021
	Note	----- (Rupees) -----	
Net insurance premium	15	23,620,878	25,012,852
Net insurance claims	16	(573,716)	(1,269,196)
Premium deficiency		-	(266,279)
Net commission expense and other acquisition costs	17	(1,096,418)	(634,464)
Insurance claims and acquisition expenses		(1,670,134)	(2,169,939)
Management expenses		(21,239,402)	(15,340,630)
Underwriting results		711,343	7,502,283
Investment income	18	8,745	2,871
Other income		14,099,524	12,062,476
Other expenses		(3,221,088)	(3,643,760)
Results of operating activities		11,598,524	15,923,870
Finance costs		-	(72,732)
Profit before tax		11,598,524	15,851,138
Taxation		(3,264,492)	(4,694,547)
Profit after tax		8,334,032	11,156,591
Attributable to:			
Owners of the Holding Company		9,283,025	12,186,961
Non-controlling interest		(948,993)	(1,030,370)
		8,334,032	11,156,591
Other comprehensive income / (loss)			
Unrealized gain on available for sale investments during the period - net of deferred tax		2,309,182	1,675,834
Reclassification adjustments relating to available for sale investments disposed off - net of deferred tax		-	-
Other comprehensive income / (loss) for the period		2,309,182	1,675,834
Total comprehensive income for the period		10,643,214	12,832,425
Earning per share	19	0.08	0.10

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 March 31, 2022

	March 31, 2022	March 31, 2021
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	20,042,320	18,038,061
Reinsurance premium paid	-	(829,276)
Claims paid	(1,226,940)	(1,421,453)
Commission paid	(1,514,418)	(976,696)
Commission received	-	-
Management expenses paid	(26,276,159)	(13,736,388)
Net cash flow from underwriting activities	(8,975,197)	1,074,248
(b) Other operating activities		
Income tax paid	(30,896)	(124,218)
Other operating payments	1,239,150	(1,484,398)
Net cash outflow from other operating activities	1,208,254	(1,608,616)
Total cash inflow from all operating activities	(7,766,943)	(534,368)
Investment activities		
Profit received	8,745	2,871
Proceeds from investments	(2,000,000)	-
Fixed capital expenditure	(15,500)	2,200,000
Total cash inflow/(outflow) from investing activities	(2,006,755)	2,202,871
Financing activities		
Finance costs paid	-	(72,732)
Borrowing under Musharaka arrangements obtained - net	-	(2,255,111)
Total cash (outflow) from financing activities	-	(2,327,843)
Net cash inflow /(outflow) from all activities	(9,773,698)	(659,340)
Cash and cash equivalents at beginning of year	14,286,739	10,484,476
Cash and cash equivalents at end of period	4,513,041	9,825,136
Reconciliation to consolidated profit and loss account		
Operating cash flows	(7,766,943)	(534,368)
Depreciation expense	(2,787,984)	(3,156,920)
Amortization expense	(375,482)	(417,202)
Profit on disposal of property and equipments	-	1,081,404
Other investment and other income	8,745	2,871
Finance costs	-	(72,732)
Increase in assets other than cash	25,515,363	24,785,703
(Decrease) in liabilities other than borrowings	(2,425,392)	(5,294,627)
Provision for taxation	(3,834,276)	(5,237,538)
Profit after taxation for the period	8,334,032	11,156,591

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 March 31, 2022

	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, 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	-	-	-	-	-	-	1,675,834	12,186,961	13,862,795	(1,030,370)	12,832,425
Balance as at March 31, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	-	-	2,731,225	(141,293,258)	765,003,210	(28,911,844)	736,091,366
Balance as at January 01, 2022	1,076,950,410	(199,650,000)	1,767,568	24,497,265	-	-	3,515,706	(114,685,823)	792,395,126	(34,304,918)	758,090,208
Total comprehensive income for the period	-	-	-	-	-	-	2,309,182	9,283,025	11,592,207	(948,993)	10,643,214
Balance as at March 31, 2022	1,076,950,410	(199,650,000)	1,767,568	24,497,265	-	-	5,824,888	(105,402,798)	803,987,333	(35,253,911)	768,733,422

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 holdina	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

- 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, 2021.

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Company for the three months period ended March 31, 2022 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, 2021.

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, 2021. 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, 2021.

		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- (Rupees) -----	-----
7	PROPERTY AND EQUIPMENT		
	Operating assets	114,343,849	117,116,332
7.1	Operating assets		
	Opening written down value	117,116,332	130,713,584
	Add: Additions during the period / year - at cost		
	- Motor vehicles	-	3,340,000
	- Computers and related accessories	15,500	27,000
	- Office equipment	-	-
	- Furniture and fixtures	-	-
		15,500	3,367,000
	Less: Written down value of deletions	-	(4,900,977)
	Depreciation for the period / year	(2,787,984)	(12,063,275)
		(2,787,984)	(16,964,252)
		114,343,849	117,116,332
8	INTANGIBLE ASSETS		
	Goodwill at acquisition	28,742,849	28,742,849
	Franchise	11,939,662	12,262,357
	Computer software	1,953,160	2,005,948
		42,635,671	43,011,154
9	INVESTMENTS		
	Equity securities	101,806,035	97,496,853
	Debt securities	-	-
9.1	Equity securities		
	Available-for-sale	101,806,035	97,496,853
9.1.1	Others		
	Listed shares	58,883	50,026
	Mutual funds	101,747,152	97,446,827
		101,806,035	97,496,853
9.1.1.1	Securities having market value of Rs. 99.107 million (2021: Rs. 96.868 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		
	<i>Considered good</i>		
	Other Security deposits	10,099,645	10,099,645
	Loan to employees	57,625	77,250
	Advance to supplier	53,397,482	53,397,482
	Accrued interest on advance against issuance of shares	260,243,955	247,374,404
	Advance against issuance of shares	354,279,066	354,279,066
	Others	26,824,457	26,814,009
		704,902,230	692,041,856
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	247,374,404	206,107,255
	Income for the period / year	12,869,551	41,267,149
	Balance at the end of the period / year	260,243,955	247,374,404

	March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
	----- (Rupees) -----	
11 CASH AND BANK		
Cash and other equivalents		
Cash in hand	366,892	376,918
Policy and revenue stamps	12,060	4,670
	378,952	381,588
Cash at bank		
Current accounts	3,877,289	13,989,655
Savings accounts	579,219	237,915
	4,456,508	14,227,570
Less: provision against dormant accounts	(322,419)	(322,419)
	4,134,089	13,905,151
	4,513,041	14,286,739
11.1	These carry mark-up at the rate of 8.25% (2021: 8.25%) 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	(105,402,798)	(114,685,823)
Surplus on remeasurement of available for sale investments	5,824,888	3,515,706
	(73,313,077)	(84,905,284)
13 OTHER CREDITORS AND ACCRUALS		
Trade and related payables	45,361,198	45,671,746
Federal insurance fees	3,704,798	3,460,172
Federal excise duty	62,408,661	59,132,797
Payable to staff provident fund	8,412,126	8,192,880
Withholding tax	85,806,410	84,575,580
Accrued expenses	55,028,513	55,226,913
Unclaimed dividend	418,209	418,209
Others	20,708,876	30,176,030
	281,848,791	286,854,327
14 CONTINGENCIES AND COMMITMENTS		
	The status of contingencies remain unchanged as disclosed in the annual consolidated financial statements as of December 31, 2021.	

	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
----- (Rupees) -----		
15 NET INSURANCE PREMIUM		
Gross written premium	28,238,907	27,314,271
Add : Unearned contribution reserve opening	40,631,852	45,517,153
Less: Unearned contribution reserve closing	(45,249,881)	(47,818,572)
Premium earned	23,620,878	25,012,852
Less: Reinsurance premium ceded	-	-
Add: prepaid reinsurance premium ceded opening	-	-
Less: prepaid reinsurance premium ceded closing	-	-
Reinsurance expense	-	-
	23,620,878	25,012,852
16 NET INSURANCE CLAIMS EXPENSE		
Claim paid	1,226,940	1,421,453
Add : Outstanding claims including IBNR closing	67,049,135	61,825,698
Less: Outstanding claims including IBNR opening	(67,702,359)	(61,977,955)
Claims expense	573,716	1,269,196
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	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-
	573,716	1,269,196
17 NET COMMISSION EXPENSE		
Commission paid or payable	1,514,418	976,696
Add : Deferred commission expense opening	5,699,999	6,569,234
Less: Deferred commission expense closing	(6,117,999)	(6,911,466)
Net commission expense	1,096,418	634,464
18 INVESTMENT INCOME		
Income from equity securities		
Available for sale financial assets		
Dividend income	-	-
Gain on sale of available for sale investments	-	-
	-	-
Income from bank balances		
Return on bank balances	8,745	2,871
	8,745	2,871
Less: Investment related expenses	-	-
Investment income	8,745	2,871

	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- (Rupees) -----	
19 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax for the period	<u>8,334,032</u>	<u>11,156,591</u>
	----- Number -----	
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>107,695,041</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>0.08</u>	<u>0.10</u>

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 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 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:

	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- (Rupees) -----	
20.1 Remuneration to Key Management Personnel	6,393,810	6,107,100
Staff retirement benefits		
Provident fund contribution	287,434	293,490
Markup on outstanding balance of provident fund	332,070	220,721

21 SEGMENT INFORMATION

	For the three months period ended March 31, 2022										
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Foods	Technologies	Luxury	Aggregate
	(Rupees)										
Current period											
Gross written premium (inclusive of administrative surcharges)	124,827	1,739,919	4,273,604	-	15,134,117	6,966,440	28,238,907	-	-	-	28,238,907
Insurance premium earned	112,330	1,661,075	2,340,083	-	16,192,887	3,314,503	23,620,878	-	-	-	23,620,878
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net insurance premium	112,330	1,661,075	2,340,083	-	16,192,888	3,314,503	23,620,878	-	-	-	23,620,878
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	112,330	1,661,075	2,340,083	-	16,192,888	3,314,503	23,620,878	-	-	-	23,620,878
Insurance claims	-	-	(518,716)	-	(55,000)	-	(573,716)	-	-	-	(573,716)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	-	-	(518,716)	-	(55,000)	-	(573,716)	-	-	-	(573,716)
Commission expense	(20,963)	(599,284)	(188,456)	-	(398,385)	110,670	(1,096,418)	-	-	-	(1,096,418)
Management expense	(92,790)	(1,274,489)	(3,220,603)	-	(11,545,333)	(5,106,185)	(21,239,401)	-	-	-	(21,239,401)
Premium deficiency reversal / (expense)	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(113,753)	(1,873,773)	(3,927,775)	-	(11,998,718)	(4,995,515)	(22,909,535)	-	-	-	(22,909,535)
Underwriting results	(1,423)	(212,698)	(1,587,692)	-	4,194,170	(1,681,012)	711,343	-	-	-	711,343
Net investment income	-	-	-	-	-	-	-	-	-	-	8,745
Other income	-	-	-	-	-	-	-	-	-	-	14,099,524
Other expenses	-	-	-	-	-	-	(412,532)	(2,496,793)	(1,884)	(309,879)	(3,221,088)
Share of profit of associated	-	-	-	-	-	-	-	-	-	-	11,598,524
Result of operating activities											
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Profit before tax for the period											11,598,524

	For the three months period ended March 31, 2021										
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Foods	Technologies	Luxury	Aggregate
	(Rupees)										
Prior period											
Gross written premium (inclusive of administrative surcharges)	222,662	1,092,607	1,724,224	-	22,175,549	2,099,229	27,314,271	-	-	-	27,314,271
Insurance premium earned	201,263	1,135,268	2,758,642	-	19,891,195	1,026,484	25,012,852	-	-	-	25,012,852
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net insurance premium	201,263	1,135,268	2,758,642	-	19,891,195	1,026,484	25,012,852	-	-	-	25,012,852
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	201,263	1,135,268	2,758,642	-	19,891,195	1,026,484	25,012,852	-	-	-	25,012,852
Insurance claims	-	(900,000)	(270,391)	(87,805)	-	(11,000)	(1,269,196)	-	-	-	(1,269,196)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	-	(900,000)	(270,391)	(87,805)	-	(11,000)	(1,269,196)	-	-	-	(1,269,196)
Commission expense	(26,540)	(396,171)	(196,288)	-	48,282	(63,747)	(634,464)	-	-	-	(634,464)
Management expense	(121,281)	(588,981)	(953,237)	-	(12,517,859)	(1,159,272)	(15,340,630)	-	-	-	(15,340,630)
Premium deficiency reversal / (expense)	-	(2,396)	(263,883)	-	-	-	(266,279)	-	-	-	(266,279)
Net insurance claims and expenses	(147,821)	(1,887,548)	(1,683,799)	(87,805)	(12,469,577)	(1,234,019)	(17,510,569)	-	-	-	(17,510,569)
Underwriting results	53,442	(752,280)	1,074,843	(87,805)	7,421,618	(207,535)	7,502,283	-	-	-	7,502,283
Net investment income	-	-	-	-	-	-	-	-	-	-	2,871
Other income	-	-	-	-	-	-	-	-	-	-	12,062,476
Other expenses	-	-	-	-	-	-	(480,700)	(2,725,322)	(2,691)	(435,047)	(3,643,760)
Result of operating activities	-	-	-	-	-	-	-	-	-	-	15,923,870
Finance costs	-	-	-	-	-	-	(72,732)	-	-	-	(72,732)
Profit before tax for the period											15,851,138

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:

March 31, 2022									
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	-	101,806,035	-	-	101,806,035	101,806,035	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	4,513,041	-	4,513,041	-	-	-
Insurance / reinsurance receivable		-	-	220,632,845	-	220,632,845	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	704,902,230	-	704,902,230	-	-	-
		-	101,806,035	932,643,318	-	1,034,449,353	101,806,035	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	67,049,135	67,049,135	-	-	-
Other creditors and accruals	13	-	-	-	281,848,791	281,848,791	-	-	-
Borrowings		-	-	-	-	-	-	-	-
		-	-	-	348,897,926	348,897,926	-	-	-

December 31, 2021									
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	-	97,496,853	-	-	97,496,853	97,496,853	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	14,286,739	-	14,286,739	-	-	-
Insurance / reinsurance receivable		-	-	208,369,456	-	208,369,456	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	692,041,856	-	692,041,856	-	-	-
		-	97,496,853	917,293,253	-	1,014,790,106	97,496,853	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	67,702,359	67,702,359	-	-	-
Other creditors and accruals	13	-	-	-	286,854,327	286,854,327	-	-	-
Borrowings		-	-	-	-	-	-	-	-
		-	-	-	354,556,686	354,556,686	-	-	-

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements have been approved by the Board of Directors of the Holding Company and are authorised for issue on April 22, 2022.

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 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
PHONES: 32415471-3 FAX (92-21) 32415474

BRANCH NAME	ADDRESS	CONTACT NO
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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
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



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