

CRESCENT STANDARD MODARABA

Managed by B.R.R. Investment (Private) Limited

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COEPORATE INFORMATION

Modaraba Company	B.R.R. Investments (Private) Limited
Chairman	Mr. Rafique Dawood
Chief Executive	Mr. Ayaz Dawood
Directors	Mrs. Farida Rokadia Mr. Majid Dawood Mr. Tauqir Shamsad
Audit Committee	Mrs. Farida Rokadia - Chairperson Mr. Majid Dawood - Member Mr. Tauqir Shamsad-Member
Group Finance Director	Mr. Muhammad Shoaib
Chief Financial Officer	Mr. Ghazanfar-ul- Islam
Company Secretary	Mr Tahir Mahmood
Auditors	M. Yousuf Adil Saleem & Company Chartered Accountant
Legal Advisor	Malik & Maliks
Bankers	Saudi Pak Commercial Bank Limited NIB Bank Limited MCB Bank Limited
Web-site	www.firstdawood.com/csm
Registered Office & Head Office	1500-A, Saima Trade Towers, I.I Chundrigar Road, Karachi-74000 UAN : 111-DAWOOD (111-329-663) Fax : 92-21-227-1913
Registrars	F.D Registrar Services (SMC-Pvt.) Ltd 17th Floor, Saima Trade Tower-A I.I Chundrigar Road, Karachi Phone # 2271875
Branch Offices	Suit No. 210, 5th Floor, Siddiq Trade Centre, Main Boulevard, Gulberg - III, Lahore Office No. 20 & 21, 1st Floor, Beverly Centre, 56-G7, Jinnah Avenue, Islamabad-44000

DIRECTORS' REPORT

The Board of Directors of B.R.R. Investments (Private) Limited, Manager of Crescent Standard Modaraba (CSM), is presenting the 3rd Quarter Financial Statements of the Modaraba for the nine months ended March 31, 2008.

During the period, with the Grace of Almighty we have recovered Rs.38.25 Million from debts which increase the cash flow of the Modaraba. Therefore, we anticipate that the year will end in a profit and the loss will be recovered.

The Board of Directors of the Management Company appreciates the support of The Registrar Modaraba, Securities & Exchange Commission of Pakistan for their continued assistance, guidance and support.

April 15, 2008
Karachi

For and on behalf the
Board of Directors of
B.R.R Investment (Pvt) Limited

Rafique Dawood
Chairman

CRESCENT STANDARD MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2008

		(Un-Audited) March 31, 2008 Rupees	(Audited) June 30, 2007 Rupees
ASSETS			
Current Assets			
Cash and Bank Balances	Note	476,042	286,242
Advances, Deposits and Other Receivable	4	34,339	15,026,099
Trade Debts- Secured		86,960,401	110,210,401
Funds Provided Under Musharaka Arrangements	5	-	-
Funds Provided Under Morabaha Arrangements		1,347,320	3,071,792
Short Term Equity Investment	6	42,501,451	3,659,383
TOTAL ASSETS		131,319,553	132,253,917
Current Liabilities			
Funds Received Under Musharika Arrangements		22,454,094	22,454,094
Accrued Expenses and Other Liabilities		992,830	1,128,720
Unclaimed Dividend		69,016	69,016
		23,515,940	23,651,830
Contingencies and Commitments			
Net Assets		107,803,613	108,602,087
REPRESENTED BY:			
Certificate Capital		200,000,000	200,000,000
Statutory Reserve		4,287,970	4,287,970
Accumulated Loss		(96,484,357)	(95,685,883)
		107,803,613	108,602,087

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

Chief Executive Officer
B.R.R. Investments
(Private) Limited

Director
B.R.R. Investments
(Private) Limited

Director
B.R.R. Investment
(Private) Limited

CRESCENT STANDARD MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN- AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2008

	Nine Month Ended		For the Quarter Ended	
	March 31,	March 31,	March 31,	March 31,
	<i>Note</i> 2008 Rupees	2007 Rupees	2008 Rupees	2007 Rupees
INCOME				
Income From Funds Provided Under Morabaha Arrangements	71,448	145,097	19,038	57,479
Dividend Income	2,347	-	2,347	-
	<u>73,795</u>	<u>145,097</u>	<u>21,385</u>	<u>57,479</u>
OPERATING EXPENSES				
Administrative and General Expenses	<u>1,324,337</u>	211,771	<u>556,645</u>	58,334
OPERATING LOSS	(1,250,542)	(66,674)	(535,260)	(855)
Gain on Remeasurement of Shot Term Equity Investments	<u>442,068</u>	107,129	<u>722,420</u>	3,219
	<u>(808,474)</u>	40,455	<u>187,160</u>	2,364
Reversal of Provision For Doubtful Receivable-Net	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
	<u>(798,474)</u>	40,455	<u>197,160</u>	2,364
Modaraba Company's Management Fee	-	4,045	-	236
PROFIT FOR THE PERIOD	(798,474)	36,410	197,160	2,128
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EARNING PER CERTIFICATE - BASIC AND DILUTED	<u>(0.04)</u>	<u>0.002</u>	<u>0.01</u>	<u>0.0001</u>

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CRESCENT STANDARD MODARABA
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2008

	Nine Month Ended		For the Quarter Ended	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
	Rupees	Rupees	Rupees	Rupees
A CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before Taxation	(798,474)	2,749,169	197,160	1,835,970
Adjustments for Non-Cash Items:				
Gain on Remeasurement of Short Term Equity Investments	442,068	(55,051)	161,716	28,962
Depreciation	-	880	-	-
	(356,406)	2,694,998	358,876	1,864,932
(Increase) / Decrease in Current Aassets				
Advances, Deposits and Other Receivables	14,991,760	(47,612,961)	(8,972)	(6,570,274)
Trade Debts	23,250,000	25,000,000	1,750,000	-
Placements	-	(35,700,803)	-	(35,700,803)
Investment	-	-	-	-
Fund Provided Under Musharaka Arrangements	-	-	-	5,654,120
Fund Provided Under Musharaka Arrangements	1,724,472	-	579,602	47,636,031
	39,966,232	(58,313,764)	2,320,630	11,019,074
Increase/(Decrease) in Current Liabilities				
Short term Borrowings	-	87,160,907	-	(43,799,851)
Profit payable on fund received under musharika arrangements	-	(22,454,094)	-	-
Accrued Expenses and Other Liabilities	(135,890)	(9,417,054)	(39,800)	5,244,791
	(135,890)	55,289,759	(39,800)	(38,555,060)
	39,830,342	(3,024,005)	2,280,830	(27,535,986)
Net Cash Flow From /(Used in) Operating Aactivities	39,473,936	(329,007)	2,639,706	(25,671,054)
B CASH FLOW FROM INVESTING ACTIVITIES				
Short Term Equity Investment	(39,284,136)	-	-	20,000,000
Net Cash Used in Investing Activities	(39,284,136)	-	-	20,000,000
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B)	189,800	(329,007)	2,639,706	(5,671,054)
Cash and Cash Equivalents at Beginning of Period	286,242	1,204,314	795,647	6,546,361
Cash and Cash Equivalents at End of Period	476,042	875,307	3,435,353	875,307

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

Chief Executive Officer

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(Private) Limited

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(Private) Limited

CRESCENT STANDARD MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2008

	<i>Certificate capital</i>	<i>Statutory reserve</i>	<i>Accumulated loss</i>	<i>Total</i>
	-----Rupees-----			
Balance as at July 01, 2006	200,000,000	4,287,970	(96,223,852)	108,064,118
Profit for the Half Year Ended December 31, 2006	-	-	34,282	34,282
Balance at December 31, 2006	200,000,000	4,287,970	(96,189,570)	108,098,400
Profit for the Quarter Ended March 31, 2007	-	-	2,128	2,128
Balance as at March 31, 2007	200,000,000	4,287,970	(96,187,442)	108,100,528
Profit for the Quarter Ended June 30, 2007	-	-	501,559	501,559
Balance at June 30, 2007	200,000,000	4,287,970	(95,685,883)	108,602,087
Profit for the Half Year Ended December 31, 2007	-	-	(995,634)	(995,634)
Balance at December 31, 2007	200,000,000	4,287,970	(96,681,517)	107,606,453
Profit for the Quarter Ended March 31, 2008	-	-	197,160	197,160
Balance at March 31, 2008	200,000,000	4,287,970	(96,484,357)	107,803,613

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

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CRESCENT STANDARD MODARABA
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2008

1. LEGAL STATUS AND NATURE OF THE BUSINESS

Crescent Standard Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Rules framed there under. Modaraba was managed by Financial Link Limited up to January 19, 2007 however vide order No. SC/M/RW/CSM2006-32 dated January 19, 2007 from Deputy Registrar, Modaraba Wing, SECP, management of the Modaraba was transferred to Providence Modaraba Limited with immediate effect. Providence Modaraba Limited was merged in B.R.R. Investments (Private) Limited w.e.f July 01, 2006 and thereafter the Modaraba is under the management of B.R.R. Investments (Private) Limited.

The Modaraba is perpetual and multipurpose. It was engaged in venture capital, trading, investment in equity instruments, musharaka / morabaha financing arrangements and financial advisory services. The certificates of the Modaraba are quoted on Karachi Stock Exchange.

These condensed interim financial statements are presented in Pak Rupees, which is the Modaraba's functional and presentation currency.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies & Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) ['the Modaraba Regulations'] together with approved accounting standards as applicable in Pakistan to Modarabas. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) and Islamic Financial Accounting Standards (IFASs) as notified under the provisions of the Companies Ordinance, 1984 and made applicable to Modarabas under 'the Modaraba Regulations'. Wherever the requirements of 'the Modaraba Regulations' differ from the requirements of these standards, the requirements of 'the Modaraba Regulations' take precedence. The disclosure made in these condensed interim financial statements have, however, been limited based on the requirement of International Accounting Standard 34, 'Interim Financial Reporting'.

These condensed interim financial statements are unaudited. However, limited review sope has been performed by the statutory auditors in accordance with the requirements of clause (xxi) of Code of Corporate governance and are being submitted to certificate holders as required under the Modaraba Regulations

3. ACCOUNTING POLICIES

The accounting convention and policies adopted for the preparation of these condensed interim financial statements are same as those applied in preparing the audited financial statements for the year ended June 30, 2007.

	March 31, 2008 Rupees	June 30, 2007 Rupees
4. ADVANCES, DEPOSIT AND OTHER RECEIVABLES		
Advance for Purchases	90,387,701	105,387,701
Advances to Staff	-	1,099
Security Deposit	25,000	25,000
Profit Receivable on Fund Provided under Musharaka / Morabaha Arrangements	7,715,387	7,715,387
Advance Income Tax	162,411	161,820
Sales Tax Receivable	3,350,922	3,350,922
Advance Against Investment	8,750	-
Other Receivables	461,353	461,353
	<u>102,111,524</u>	<u>117,103,282</u>
Less: Provision for Doubtful Receivables	<u>(102,077,185)</u>	<u>(102,077,183)</u>
Considered Good	<u>34,339</u>	<u>15,026,099</u>

5. FUNDS PROVIDED UNDER MUSHARAKA ARRANGEMENTS

The Modaraba has entered into musharaka investment agreements with different parties on profit and loss sharing basis.

Considered Doubtful:		
Fund Provided under Musharaka Arrangements	10,182,339	10,182,339
Less: Provision for Doubtful Receivables	<u>(10,182,339)</u>	<u>(10,182,339)</u>
	<u>-</u>	<u>-</u>

6. SHORT TERM INVESTMENTS - Held for Trading

Unless stated otherwise, the holdings are in the fully paid ordinary shares/units of Rs.10/- each.

March 31, 2008 No Shares/Units	June 30, 2007		March 31, 2008 Rupees	June 30, 2007 Rupees
		Open-End Mutual Funds		
131,284	25,540	AMZ Plus Income Fund (par value of Rs.100 per unit)	14,234,087	2,864,108
250,776	-	Askari Asset Allocation Fund (par value of Rs.100 per unit)	24,733,410	-
274,328	-	NAFA Islamic Income Fund	2,950,316	-
		Investment Bank		
2,250	2,250	Pakistan Industrial Credit and Investment Corporation Limited	40,499	198,928
		Commercial Banks		
9,307	9,307	Standard Chartered Bank (Pakistan) Limited	350,422	492,832
		Textile Spinning		
140	140	Saif Textile Mills Limited	1,750	2,246
		Textile Composite		
462	462	Kohinoor Textile Mills Limited	8,016	11,128
27	27	Nishat Mills Limited	2,901	3,523
		Cement		
300	300	Lucky Cement Limited	41,925	44,356
25	25	D.G. Khan Cement Limited	2,825	3,262
		Miscellaneous		
6,000	6,000	United Distributors Pakistan Limited	<u>135,300</u>	<u>39,000</u>
			<u>42,501,451</u>	<u>3,659,383</u>

7 CONTINGENCIES AND COMMITMENTS

- 7.1** United Bank Limited has lodged a claim of Rupees 1,090,000/- on account of excess markup paid to the Modaraba for previous years which is not accepted by the Modaraba. The Modaraba has also lodged a claim before the banking tribunal against United Bank Limited for short payment of mark up to the Modaraba to the extent of Rs.2,497,867. The proceeding under both cases are pending to-date.
- 7.2** The Modaraba has received a legal notice from Crescent Standard Investment Bank Limited addressed to the previous Management Company (Financial Link Limited) of the Modaraba, for settlement of outstanding balance of Short Term Borrowing amounting to Rs.171,930,350/- along with the mark up thereon on or before February 10, 2007. The present management have asked plaintiff to send all the agreements and supporting documents but the plaintiff did not respond. Therefore, in the absence of any substance in the claim, management of the Modaraba is confident that no liability will accrue.

8. RELATED PARTY TRANSACTIONS

The key related parties relationships maintained by the Modaraba are those with the Management Company and its group companies/persons.

There are no transactions with related parties during the period.

9. DATE OF ISSUE

These condensed interim financial statements have been authorized for issue on April 15,2008 by the Board of Directors of B.R.R. Investments (Private) Limited.

10. GENERAL

Figures have been rounded of nearest to Rupee.

Chief Executive Officer
B.R.R. Investments
(Private) Limited

Director
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Director
B.R.R. Investments
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