



## **Crescent Standard Modaraba**

(An Islamic Financial Institution)

Managed by:

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

**Un-Audited  
Condensed Interim Financial Information  
For The Half Year Ended  
December 31, 2015**

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**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**Managed by:**

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

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**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**CORPORATE INFORMATION**

Modaraba Company	B.R.R. Investments (Private) Limited
Chairman	Mr. Rafique Dawood
Chief Executive	Mr. Ayaz Dawood
Directors	Mr. Waqas Anwar Qureshi Syed Ali Raza
Audit Committee	Mr. Waqas Anwar Qureshi - Chairman Mr. Rafique Dawood - Member Syed Ali Raza - Member
HR and Remuneration Committee	Syed Ali Raza - Chairman Mr. Rafique Dawood - Member Mr. Waqas Anwar Qureshi - Member
Shariah Advisor	Mufti Muhammad Imran
Chief Financial Officer	Syed Tariq Masood
Company Secretary	Mr Tahir Mehmood
Head of Internal Audit, Risk and Compliance	Syed Moin Ahmed Zaidi
Auditors	BDO Ebrahim & Co. Chartered Accountants
Legal Advisor	Malik & Maliks Law Associates S. & B. Durani Law Associates
Bankers	Al -Baraka Bank (Pakistan) Limited Burj Bank Limited
Web-site	<a href="http://www.firstdawood.com/csm">www.firstdawood.com/csm</a>
Registered Office & Head Office	18th Floor, B.R.R. Tower Hassan Ali Street off. I.I. Chundrigar Road, Karachi-74000 PABX : 92-21-32602401-06 Fax : 92-21-3227-1912
Registrars	F.D Registrar Services (SMC-Pvt.) Ltd 1705, 17th Floor, Saima Trade Towers, Tower "A", I.I. Chundrigar Road, Karachi-74000 Phone # 92-21-35478192-93 # 92-21-32271905-6 Fax # 92-21-32213243



**CRESCENT STANDARD MODARABA**  
(An Islamic Financial Institution)

## DIRECTORS' REPORT

**Dear Certificate holders,**

On behalf of the Board of Directors of B.R.R. Investments (Private) Limited ('BRRRI' or 'the company'), Manager of Crescent Standard Modaraba ('CSM' or 'the Modaraba'), we are pleased to present the 2nd Quarter Financial statements of the Modaraba for the six months ended December 31, 2015.

### Operations and performance

	December 31, 2015	December 31, 2014
	..... Rupees.....	
<b>Total Income</b>	<b>18,340,453</b>	<b>16,995,033</b>
<b>Total Expenses</b>	<b>13,124,880</b>	<b>22,966,126</b>
<b>Profit / (Loss) After Management Fee &amp; WWF</b>	<b>4,528,578</b>	<b>(5,971,093)</b>
<b>Earnings / (Loss) per certificate</b>	<b>0.23</b>	<b>(0.30)</b>
<b>Certificate Holder's Equity</b>	<b>123,427,093</b>	<b>119,190,476</b>
<b>Breakup value - per certificate</b>	<b>6.17</b>	<b>5.95</b>

During the six months period under review the Modaraba has earned net profit Rs. 4.529 million, as compared with Rs 5.971 million loss in the same period last year.

Further the Certificate Holders' Equity of Modaraba stands at Rs 123.427 million as compared with Rs 119.190 million in the same period last year. The breakup value share comes to Rs 6.17 per certificate.

On Behalf of the Board of Directors  
**B.R.R. Investments (Private) Limited**

Karachi: February 26, 2016

**Rafique Dawood**  
Chairman



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Sarwar Shaheed Road  
Karachi-74200  
Pakistan

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE CERTIFICATE HOLDERS

### Introduction

We have reviewed the accompanying condensed interim balance sheet of **Crescent Standard Modaraba** ("the Modaraba") as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six-month period then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information 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 interim 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.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the six months period ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarter ended December 31, 2015 and December 31, 2014 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

### KARACHI

DATED: February 26, 2016

CHARTERED ACCOUNTANTS  
Engagement Partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



**CRESCENT STANDARD MODARABA**  
(An Islamic Financial Institution)

**Condensed Interim Balance Sheet  
As at December 31, 2015**

		(Un-audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- (Rupees) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	<b>76,753,527</b>	65,551,987
Advance against ijarah assets		<b>87,000</b>	5,127,000
Musharaka finance	6	-	-
		<b>76,840,527</b>	70,678,987
<b>CURRENT ASSETS</b>			
Short-term investments	7	<b>45,947,174</b>	52,559,228
Advances, deposits, prepayments and other receivables	8	<b>6,364,857</b>	1,391,599
Trade debts	9	<b>255,115</b>	932,654
Advance tax		<b>511,136</b>	433,740
Cash and bank balances	10	<b>17,580,234</b>	12,982,467
		<b>70,658,516</b>	68,299,688
		<b>147,499,043</b>	138,978,675
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized capital			
25,000,000 (June 30, 2015: 25,000,000)			
Modaraba certificate of Rs. 10/- each		<b>250,000,000</b>	250,000,000
Issued, subscribed and paid up certificate capital		<b>200,000,000</b>	200,000,000
Statutory reserves		<b>18,470,201</b>	18,470,201
Accumulated loss		<b>(96,165,796)</b>	(100,694,374)
Surplus / (deficit) on revaluation of investments		<b>1,122,688</b>	(141,614)
		<b>123,427,093</b>	117,634,213
<b>NON-CURRENT LIABILITIES</b>			
Customers' security deposits		<b>18,858,630</b>	16,172,090
		<b>18,858,630</b>	16,172,090
<b>CURRENT LIABILITIES</b>			
Current portion of customers' security deposits		<b>19,000</b>	106,200
Accrued expenses and other liabilities		<b>2,011,145</b>	1,874,018
Unclaimed profit distribution		<b>3,183,175</b>	3,192,154
		<b>5,213,320</b>	5,172,372
		<b>147,499,043</b>	138,978,675
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>CONTINGENCIES AND COMMITMENTS</b>			

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The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For B.R.R. Investments (Private) Limited  
(Modaraba Management Company)

Rafique Dawood  
Chairman

Ayaz Dawood  
Chief Executive Officer

Waqas Anwar Qureshi  
Director



**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**Condensed Interim Profit And Loss Account  
For The Half Year And Quarter Ended December 31, 2015  
(Un-Audited)**

	Note	Half year ended		Quarter ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
<b>INCOME</b>					
Ijarah rentals		<b>11,350,393</b>	8,124,309	<b>6,169,221</b>	4,144,364
Income on musharaka and murabaha finance		-	1,050,000	-	525,000
Income on bank balances		<b>281,636</b>	419,879	<b>67,552</b>	69,775
Income on short-term investments - net	12	<b>6,706,424</b>	7,307,250	<b>5,114,847</b>	4,297,787
Other income	13	<b>2,000</b>	93,595	<b>2,000</b>	75,000
		<b>18,340,453</b>	16,995,033	<b>11,353,620</b>	9,111,926
<b>EXPENSES</b>					
Depreciation on ijarah assets		<b>9,496,156</b>	6,853,146	<b>5,121,430</b>	3,431,925
Provision for doubtful receivables - net		<b>610,852</b>	12,405,200	<b>610,852</b>	12,405,200
(Gain) / loss on disposal of ijarah assets		<b>(304,874)</b>	376,085	<b>(304,874)</b>	(8,497)
Administrative and operating expenses		<b>3,321,568</b>	3,330,535	<b>1,863,939</b>	1,991,535
Financial charges		<b>1,178</b>	1,160	<b>1,178</b>	1,160
		<b>13,124,880</b>	22,966,126	<b>7,292,525</b>	17,821,323
		<b>5,215,573</b>	(5,971,093)	<b>4,061,095</b>	(8,709,397)
Modaraba Management Company fee		<b>(521,557)</b>	-	<b>(406,109)</b>	-
Sales tax on Modaraba Management Company fee		<b>(73,018)</b>	-	<b>(56,855)</b>	-
Workers' Welfare Fund		<b>(92,420)</b>	-	<b>(71,963)</b>	-
Profit / (loss) before taxation		<b>4,528,578</b>	(5,971,093)	<b>3,526,168</b>	(8,709,397)
Provision for taxation	14	-	-	-	-
Net profit / (loss) for the period		<b>4,528,578</b>	(5,971,093)	<b>3,526,168</b>	(8,709,397)
Profit/(loss) per certificate		<b>0.23</b>	(0.30)	<b>0.18</b>	(0.44)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

**For B.R.R. Investments (Private) Limited  
(Modaraba Management Company)**

**Rafique Dawood  
Chairman**

**Ayaz Dawood  
Chief Executive Officer**

**Waqas Anwar Qureshi  
Director**



**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
For The Half Year And Quarter Ended December 31, 2015  
(Un-Audited)**

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	----- (Rupees) -----			
Profit / (loss) for the period	<b>4,528,578</b>	(5,971,093)	<b>3,526,168</b>	(8,709,397)
Other comprehensive income	-	-	-	-
Unrealised gain on available for sale investments - net	<b>1,264,302</b>	380,192	<b>806,528</b>	(278,426)
Items that will be subsequently reclassified to profit or loss:				
Transfer to profit and loss account on disposal of investments	-	-	-	-
Total comprehensive income / (loss) for the period	<b>5,792,880</b>	(5,590,901)	<b>4,332,696</b>	(8,987,823)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

**For B.R.R. Investments (Private) Limited  
(Modaraba Management Company)**

\_\_\_\_\_  
**Rafique Dawood**  
Chairman

\_\_\_\_\_  
**Ayaz Dawood**  
Chief Executive Officer

\_\_\_\_\_  
**Waqas Anwar Qureshi**  
Director





**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**Condensed Interim Statement of Cash Flows  
For The Half Year Ended December 31, 2015  
(Un-Audited)**

	December 31, 2015	December 31, 2014
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss ) before taxation	4,528,578	(5,971,093)
Adjustments for non-cash items:		
Depreciation on ijarah assets	9,496,156	6,853,146
Depreciation on assets in own use	178,135	178,136
Provision for doubtful receivable - net	610,852	12,405,200
Unrealised gain on revaluation of held-for-trading investments	(1,255,907)	(3,545,440)
Income on investments in debt securities	(1,016,337)	(1,560,440)
Gain on sale of investment - net	(3,988,416)	(1,749,815)
(Gain)/loss on disposal of ijarah assets	(304,874)	376,085
Dividend income	(445,764)	(451,555)
	<b>3,273,845</b>	12,505,317
<b>(Increase) / decrease in current assets</b>		
Trade debts	677,538	(365,536)
Advances, deposits, prepayments and other receivables	(5,280,618)	2,655,848
Advance tax	(77,396)	(75,001)
	<b>(4,680,476)</b>	2,215,311
<b>Increase / (decrease) in current liabilities</b>		
Accrued expenses and other liabilities	137,127	319,094
Profit paid to the certificate holders	(8,979)	(1,544,637)
	<b>128,148</b>	(1,225,543)
Net cash flows generated from operating activities	<b>3,250,095</b>	7,523,992
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Return on short-term investments	6,742,091	7,001,539
Short-term investment - net	7,537,198	(14,626,537)
Additions to property and equipment - ijarah	(28,137,300)	(19,359,800)
Advance against ijarah assets	5,040,000	(4,306,860)
Proceed on disposal of ijarah Assets	7,566,342	4,042,422
Security deposits repaid	2,599,340	1,687,455
Net cash flows generated from (used in) investing activities	<b>1,347,671</b>	(25,561,781)
Net increase / (decrease) in cash and cash equivalents	<b>4,597,767</b>	(18,037,789)
Cash and cash equivalents at beginning of the period	<b>12,982,467</b>	21,669,739
Cash and cash equivalents at end of the period	<b>17,580,234</b>	3,631,950

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For B.R.R. Investments (Private) Limited  
(Modaraba Management Company)

\_\_\_\_\_  
Rafique Dawood  
Chairman

\_\_\_\_\_  
Ayaz Dawood  
Chief Executive Officer

\_\_\_\_\_  
Waqas Anwar Qureshi  
Director



**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**Condensed Interim Statement of Changes In Equity  
For The Half Year Ended December 31, 2015  
(Un-Audited)**

	Issued subscribed and paid up certificate capital	Statutory reserve	Surplus/ (deficit) on revaluation of investment - available-for- sale	Accumulated loss	Total
	----- (Rupees) -----				
<b>Balance as at July 01, 2014</b>	<b>200,000,000</b>	<b>18,470,201</b>	<b>(134,929)</b>	<b>(90,553,895)</b>	<b>127,781,377</b>
Loss for the half year ended December 31, 2014	-	-	-	(5,971,093)	(5,971,093)
Unrealised gain on available for sale investment-net	-	-	380,192	-	380,192
Total comprehensive income for the period	-	-	380,192	(5,971,093)	(5,590,901)
Profit distribution for the year ended June 30, 2014 @ Rs.0.15 per certificate	-	-	-	(3,000,000)	(3,000,000)
<b>Balance as at December 31, 2014</b>	<b>200,000,000</b>	<b>18,470,201</b>	<b>245,263</b>	<b>(99,524,988)</b>	<b>119,190,476</b>
Loss for the half year ended June 30, 2015	-	-	-	(1,169,386)	(1,169,386)
Unrealised loss on available for sale investment-net	-	-	(386,877)	-	(386,877)
Total comprehensive income for the period	-	-	(386,877)	(1,169,386)	(1,556,263)
<b>Balance as at July 01, 2015</b>	<b>200,000,000</b>	<b>18,470,201</b>	<b>(141,614)</b>	<b>(100,694,374)</b>	<b>117,634,213</b>
Profit for the half year ended December 31, 2015	-	-	-	4,528,578	4,528,578
Unrealised gain on available for sale investment-net	-	-	1,264,302	-	1,264,302
Total comprehensive income for the period	-	-	1,264,302	4,528,578	5,792,880
<b>Balance as at December 31, 2015</b>	<b>200,000,000</b>	<b>18,470,201</b>	<b>1,122,688</b>	<b>(96,165,796)</b>	<b>123,427,093</b>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

**For B.R.R. Investments (Private) Limited  
(Modaraba Management Company)**

**Rafique Dawood  
Chairman**

**Ayaz Dawood  
Chief Executive Officer**

**Waqas Anwar Qureshi  
Director**



**CRESCENT STANDARD MODARABA**

(An Islamic Financial Institution)

**Notes To The Condensed Interim Financial Information  
For The Half Year Ended December 31, 2015**

**1. LEGAL STATUS AND NATURE OF THE BUSINESS**

- 1.1** 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 thereunder. Modaraba was managed by Financial Link Limited up to January 19, 2007, however, the Deputy Registrar, Modaraba Wing, SECP, vide order No. SC/M/RW/CSM2006-32 dated January 19, 2007 transferred management of Modaraba to Providence Modaraba Limited. During the year 2008, Providence Modaraba Limited merged with and into B.R.R. Investments (Private) Limited, and since then the Modaraba is under management of B.R.R. Investments (Private) Limited.
- 1.2** The Modaraba is a perpetual and multipurpose modaraba and is engaged in investing in equity and debt securities, musharaka and murabaha finance, etc. The address of registered office is 18th floor, on BRR Tower Hassan Ali Street off I. I. Chundrigar Road, Karachi. The Modaraba is listed on the Karachi Stock Exchange which has been merged into Pakistan Stock Exchange subsequent to period end.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information of the Modaraba for the six months period ended December 31, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas. In case where requirements differ, the provisions of or directives issued under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas have been followed.

The disclosures made in this condensed interim financial information have been limited, based on the requirements of International Accounting Standard 34 - "Interim Financial Reporting". These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Modaraba for the year ended June 30, 2015.

This condensed interim financial information is un-audited. However, limited scope review has been performed by the statutory auditors, except for the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2015 and December 31, 2014, in accordance with the requirement of clause (xxi) of the Code of Corporate Governance and are being submitted to the Certificate holders as required by Rule 10 of Modaraba Companies and Modaraba Rules, 1981.

**2.2 Basis of measurement**

This condensed interim financial information has been prepared under the "historical cost convention" except for the revaluation of certain financial assets which are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted and methods of computation followed in the preparation of this condensed interim financial information are same as those applied in the preparation of annual financial statements of the Modaraba for the year ended June 30, 2015.

There were certain new standards, amendments to the approved accounting standards and new interpretation issued by the International Financial Reporting Interpretations Committee (IFRIC) which became effective during the period but are considered not to be relevant or have any significant effect on the Modaraba's operations and are, therefore, not disclosed in this condensed interim financial information except for certain disclosure requirements in accordance with IFRS 13: Fair Value Measurements.



**CRESCENT STANDARD MODARABA**  
(An Islamic Financial Institution)

**Notes To The Condensed Interim Financial Information  
For The Half Year Ended December 31, 2015**

**4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Modaraba's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2015.

	Note	(Un-audited) December 31, 2015	(Audited) June 30, 2015
----- (Rupees) -----			
<b>5 PROPERTY AND EQUIPMENT</b>			
Property and equipment - owned	5.1	<b>497,233</b>	675,369
Property, plant and equipment - leased / ijarah	5.2	<b>76,256,294</b>	64,876,618
		<b><u>76,753,527</u></b>	<u>65,551,987</u>

**5.1 Property and equipment - owned**

There are no additions and disposals in assets in own use made during the period.

**5.2 Property, plant and equipment - Ijarah / leased**

Following additions and disposals in assets leased out, at cost, were made during the period:

	----- Additions -----		----- Disposals -----	
	(Un-audited) December 31, 2015	(Audited) June 30, 2015	(Un-audited) December 31, 2015	(Audited) June 30, 2015
	----- (Rupees) -----		----- (Rupees) -----	
Plant and machinery	-	1,409,850	3,760,300	-
Vehicles	<b>28,137,300</b>	31,530,810	<b>9,094,000</b>	14,098,500
Computers	-	1,369,800	<b>1,196,000</b>	1,347,015
	<b><u>28,137,300</u></b>	<u>34,310,460</u>	<b><u>14,050,300</u></b>	<u>15,445,515</u>

	Note	(Un-audited) December 31, 2015	(Audited) June 30, 2015
----- (Rupees) -----			
<b>6 MUSHARAKA FINANCE</b>			
<b>Secured</b>			
Considered good	6.1	-	-
Considered doubtful		<b>7,262,809</b>	7,262,809
		<b><u>7,262,809</u></b>	<u>7,262,809</u>
Less: Provision for doubtful receivables		<b><u>(7,262,809)</u></b>	<u>(7,262,809)</u>
		<u>-</u>	<u>-</u>

**6.1** The arrangement is secured against mortgage on property and hypothecation over stocks and receivables of the customers as well as a lien on cash deposited with a financial institution. These musharaka finances were receivable on various dates latest by October 10, 2015.



**CRESCENT STANDARD MODARABA**  
(An Islamic Financial Institution)

**Notes To The Condensed Interim Financial Information  
For The Half Year Ended December 31, 2015**

		(Un-audited) December 31, 2015	(Audited) June 30, 2015
<b>7 SHORT-TERM INVESTMENTS</b>	<b>Note</b>	----- (Rupees) -----	
Held for trading	7.1	<b>22,671,461</b>	29,771,569
Available for sale : Investments in Listed Companies	7.2	<b>699,581</b>	-
Available for sale : Investments in Sukuk	7.3	<b>22,576,132</b>	22,787,659
		<u><b>45,947,174</b></u>	<u>52,559,228</u>

**7.1 Held-for-trading**

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

<u>No. of shares</u>			(Un-audited) December 31, 2015	(Audited) June 30, 2015
<u>December 31,</u>	<u>June 30,</u>		----- (Rupees) -----	
<u>2015</u>	<u>2015</u>	<b>Name of investee</b>		
		<b>Electricity</b>		
<b>100,000</b>	65,000	K- Electric Limited	<b>743,706</b>	547,007
		<b>Gas water and multi-utilities</b>		
<b>5,000</b>	20,000	Sui Northern Gas Pipelines Limited	<b>120,200</b>	532,800
		<b>Construction and material</b>		
<b>220</b>	720	Cherat Cement Company Limited	<b>19,840</b>	62,662
<b>2,666</b>	2,666	Pakcem Limited	<b>45,402</b>	51,880
		<b>Automobile and Parts</b>		
-	500	Indus Motors Company Limited	-	624,500
		<b>Oil and gas</b>		
<b>1,000</b>	2,500	Mari Petroleum Limited	<b>697,140</b>	1,171,500
<b>6,000</b>	4,100	National Refinery Limited	<b>1,338,960</b>	951,446
<b>17,000</b>	21,000	Pakistan Petroleum Limited	<b>2,070,770</b>	3,449,460
		<b>Communications</b>		
<b>20,000</b>	30,000	Pakistan Telecommunications Company Limited	<b>329,800</b>	615,000
<b>47,750</b>	-	Treet Corporation Limited	<b>3,340,590</b>	-
		<b>Chemicals</b>		
<b>83,000</b>	93,000	Lottee Chemical Pakistan Limited	<b>539,500</b>	643,560
<b>47,000</b>	71,000	Fauji Fertilizer Bin Qasim Limited	<b>2,475,960</b>	3,927,720
<b>7,600</b>	5,100	Linde Pakistan Limited	<b>883,500</b>	713,490
-	6,000	Fauji Fertilizer Company Limited	-	896,520



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For The Half Year Ended December 31, 2015**

<u>No. of shares</u>		Name of investee	<u>(Un-audited)</u>	<u>(Audited)</u>
<u>December 31, 2015</u>	<u>June 30, 2015</u>		<u>December 31, 2015</u>	<u>June 30, 2015</u>
			----- (Rupees) -----	
<b>General Industries</b>				
<b>50</b>	50	Thal Limited	<b>12,667</b>	14,272
<b>1,100</b>	1,100	Siemens Pakistan Engineering Company Limited	<b>990,000</b>	1,401,653
-	12,000	Pakistan Refinery Limited	-	134,040
<b>Pharma and Bio Tech</b>				
<b>1,000</b>	-	Archroma Pakistan Limited	<b>460,810</b>	-
<b>48</b>	16,500	Searle Pakistan Limited	<b>18,995</b>	5,291,385
<b>4,100</b>	9,300	Feroz Sons Laboratories Limited	<b>4,538,290</b>	5,947,722
<b>5,865</b>	3,365	Glaxo Smith Kline Pakistan Limited	<b>1,290,417</b>	657,993
<b>750</b>	1050	Abbott Laboratories Limited	<b>476,250</b>	700,676
<b>1,642</b>	3,342	HighNoon Laboratories Limited	<b>948,091</b>	856,120
			<b><u>21,340,888</u></b>	<b><u>29,191,406</u></b>

**7.1.1** Listed equity securities Rights - held at fair value through profit and loss.

-	47,750	Treet Corporation Limited R	-	580,163
<b>6,798</b>	-	Searle Pakistan Limited R	<b>1,330,573</b>	-
Total value as at December 31, 2015			<b><u>22,671,461</u></b>	<b><u>29,771,569</u></b>

**7.2 Available for Sale : Investments in Listed Companies**

<b>5,625</b>	-	Crescent Steel and Allied Products Limited	<b>699,581</b>	-
			<b><u>699,581</u></b>	<b><u>-</u></b>

**7.3 Available for Sale : Investments in Sukuk**

Sukuk Certificates	7.3.1	<b>22,576,132</b>	22,787,659
		<b><u>22,576,132</u></b>	<b><u>22,787,659</u></b>

**7.3.1 Sukuk Certificates**

		<b>Sukuk Certificates</b>	
<b>1,267</b>	1,267	Eden Housing Limited	<b>1,245,953</b>
<b>1,350</b>	1,350	Maple Leaf Cement Factory Limited	<b>2,027,608</b>
<b>3,000</b>	3,000	K-Electric Limited	<b>15,672,135</b>
<b>5</b>	5	Al Baraka Bank (Pakistan) Limited	<b>4,253,413</b>
			<b><u>23,199,109</u></b>
		Less: Provision for impairment	<b>(622,977)</b>
			<b><u>22,576,132</u></b>
			<b><u>22,787,659</u></b>



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For The Half Year Ended December 31, 2015**

		(Un-audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- (Rupees) -----	
<b>8 ADVANCES, DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES</b>			
<b>Considered good</b>			
<b>Advances</b>			
Advances against purchase of securities from Dawood Equities Limited - a related party	8.1	4,961,503	432,924
Advances to staff against salary		665,330	88,200
		<u>5,626,833</u>	<u>521,124</u>
<b>Prepayment</b>			
Takaful		48,615	28,366
<b>Other receivables</b>			
Accrued profit on:			
Bank balances		16,510	16,510
Sukuk certificates		519,252	554,919
Takaful premium receivable		-	270,679
Other receivables		425,340	-
		<u>961,102</u>	<u>842,108</u>
		<u>6,636,550</u>	<u>1,391,599</u>
<b>Considered doubtful</b>			
<b>Advances</b>			
Advance for purchases		44,922,678	44,922,678
<b>Other receivables</b>			
Accrued profit		1,368,702	1,351,388
		<u>46,291,380</u>	<u>46,274,066</u>
Less: Provision for doubtful receivables		<u>(46,563,073)</u>	<u>(46,274,066)</u>
		<u>6,364,857</u>	<u>1,391,599</u>

8.1 This is an advance paid to a related party, against purchase of securities (2015: Rs. 0.028 million).

		(Un-audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- (Rupees) -----	
<b>9 TRADE DEBTS</b>			
Secured and considered good			
Ijarah rental	9.1	255,115	932,654
Unsecured and considered doubtful			
Others	9.2	33,810,401	33,810,401
Less: Provision for doubtful receivables	9.2	<u>(33,810,401)</u>	<u>(33,810,401)</u>
		<u>255,115</u>	<u>932,654</u>



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**9.1** As at December 31, 2015, the Modaraba has an outstanding balance of Rs. 0.082 million (June 30, 2015: Rs. 0.349 million) outstanding from Dawood Family Takaful Limited (DFTL), a related party, in respect of Ijarah facilities granted during the prior year aggregating to Rs. 8.856 million.

Upon examination of the quarterly accounts of Modaraba for the period ended March 31, 2013, the Securities and Exchange Commission of Pakistan has issued a show cause notice under Section 32 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, whereby the said Ijarah facility to DFTL is considered as a violation as the Modaraba is not allowed to extend finance facility of any kind to its associated undertakings under Regulations 7(3) of the Prudential Regulations for Modaraba.

**9.2** This facility was partly secured against pledge of stock of jute while some of the stock was misappropriated from the factory premises of the borrower. In prior year, the Modaraba has filed a criminal case against the borrower and its owner against misappropriation of pledged stock.

During the prior year, a suit has also been filed by the Modaraba before the Modaraba Tribunal / Banking Court-II for the recovery of outstanding dues inter alia by sale of pledged stock which is currently under control and possession of muddadam but is lying in the factory premises of the borrower. The Tribunal passed an order and appointed a commission, directing him to count the inventory of the pledged stock, which was carried out in the presence of Modaraba officials. The borrower filed an application and pleaded to dismiss the suit filed by the Modaraba. The Modaraba has also filed a reply to the application filed by the borrower which is currently pending consideration.

During the prior period, complete provision has been recorded against outstanding balance as per Prudential Regulations. The management believes that the said lawsuit and criminal case will be decided in favour of the Modaraba.

	Note	(Un-audited)	(Audited)
		December 31, 2015	June 30, 2015
		----- (Rupees) -----	
<b>10 CASH AND BANK BALANCES</b>			
Cash in hand		<b>4,200</b>	5,000
With banks in:			
PLS savings accounts	10.1	<b>17,311,702</b>	12,712,998
Current accounts		<b>264,332</b>	1,423,718
Provision for doubtful balances	10.2	-	(1,159,249)
		<b>264,332</b>	264,469
		<b>17,580,234</b>	12,982,467

**10.1** These carry mark-up at the rate ranging from 2.2% to 3.5% (June 30, 2015: 5% to 8%) per annum.

**10.2** This includes (a) a sum of Rs. 1.090 million (June 30, 2015: Rs. 1.090) million against which a claim has been lodged by a commercial bank as referred to in note 13.1 and (b) a sum of Rs. 0.069 (June 30, 2015: Rs. 0.069) million representing balance in a dividend account with a commercial bank. The Modaraba has made full provision against the above balances. During the period bank balances have been written off amounting to Rs. 1.159 million.

**11 CONTINGENCIES AND COMMITMENTS**

**11.1** The Modaraba had received a legal notice from Innovative Investment Bank Limited (formerly: Crescent Standard Investment Bank Limited) which was addressed to previous Management Company (Financial Link Limited) of the Modaraba, wherein they had asked Modaraba to settle an outstanding balance of short-term borrowing amounting to Rs. 171.143 million (June 30, 2015: Rs. 171.143 million) along with the mark-up thereon on or before February 10, 2007. The management and the legal advisor of the Modaraba believe that the matter will be decided in the favour of the Modaraba and, accordingly, no liability in respect of the above has been recognised in the financial statements.





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	(Un-audited) December 31, 2015	(Un-audited) December 31, 2014
	-----	-----
	----- (Rupees) -----	
<b>12 INCOME ON SHORT-TERM INVESTMENTS - NET</b>		
Income on investment in sukuk certificates	<b>1,016,337</b>	1,560,440
Gain on sale of held-for-trading investments	<b>3,988,416</b>	1,749,815
Unrealised gain on revaluation of held-for-trading investments	-	-
Dividend income	<b>1,255,907</b>	3,545,440
	<b>445,764</b>	451,555
	<b>6,706,424</b>	7,307,250
<b>13 OTHER INCOME</b>		
Miscellaneous income	<b>2,000</b>	93,595

**14 PROVISION FOR TAXATION**

As per the Second Schedule to the Income Tax Ordinance, 2001, the income of a non-trading modaraba is exempt from income tax provided that it distributes 90% of its profits to its certificate holders for the year after making appropriation for statutory reserves. The Modaraba intends to avail this exemption by distributing 90% of its profits to its certificate holders after making appropriation for statutory reserves. Accordingly, no provision in respect of current and deferred tax has been made in this condensed interim financial statements.

**15 FAIR VALUE HIERARCHY**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices in active markets for identical assets.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	-----	-----	-----	-----
	----- (Rupees) -----			
December 31, 2015				
Investments at fair value through profit or loss - held-for-trading				
Listed ordinary shares	22,671,461	-	-	22,671,461
Available-for-sale investments				
Sukuk certificates	-	21,953,156	622,976	22,576,132
	<u>22,671,461</u>	<u>21,953,156</u>	<u>622,976</u>	<u>45,247,592</u>
June 30, 2015				
Investments at fair value through profit or loss - held-for-trading				
Listed ordinary shares	29,771,569	-	-	29,771,569
Available-for-sale investments				
Sukuk certificates	-	21,825,523	962,136	22,787,659
	<u>29,771,569</u>	<u>21,825,523</u>	<u>962,136</u>	<u>52,559,228</u>



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**Notes To The Condensed Interim Financial Information  
For The Half Year Ended December 31, 2015**

**Valuation techniques**

For Level 3 available-for-sale investments the Modaraba values the investment at carrying value which approximates the fair value of the investment.

For Level 3 available-for-sale investments the Modaraba values the investment at carrying value which approximates the fair value of the investment.

**Transfers during the period**

During the 6 month period to December 31, 2015: There were no transfers into or out of Level 3 fair value measurements .

**16 RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include a subsidiary company, associated companies with or without common directors, directors, and key management personnel.

The Modaraba has related party relationships with its Modaraba Management Company, Associated Undertakings and its Key Management Personnel.

A number of transactions are entered into with related parties in the normal course of business. These include financings, investments, borrowings, sharing of common expenses and rental income.

The details of transactions with related parties and balances with them, apart from compensation to executives, are given below:

<b>Relationship with the Modaraba Transactions during the period</b>	<b>Nature of transactions</b>	<b>December 31, 2015</b>	<b>December 31, 2014</b>
<b>Rupees</b>			
<b>Associated companies/other related parties</b>			
B.R.R Guardian Modaraba	Sharing expenses paid	<b>92,095</b>	264,093
Provident Fund	Transfer to provident fund	<b>101,358</b>	101,358
Dawood Family Takaful Limited	Rental received against ijarah	<b>806,059</b>	1,570,407
Dawood Equities Limited	Brokerage and commission	<b>42,415</b>	56,139
Dawood Global Foundation	Charity Paid	<b>8,090</b>	-
<b>16.1 Period end balances</b>			
<b>Nature of balances</b>			
<b>Management Company</b>			
B.R.R Investment (Private) Limited	Management Fee accrued	<b>521,557</b>	-
<b>Associated companies/other related parties</b>			
Dawood Equities Limited	Receivable against sale of securities	<b>4,961,503</b>	27,955
Dawood Family Takaful Limited	Rental receivable against ijarah	<b>81,521</b>	-



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## **Notes To The Condensed Interim Financial Information For The Half Year Ended December 31, 2015**

### **17 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on **26 February 2016** by the Board of Directors of B.R.R. Investments (Private) Limited.

### **18 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the year.

### **19 GENERAL**

**19.1** This condensed interim financial information is presented in Pak Rupees, which is the Modaraba's functional and presentation currency.

**19.2** Amounts have been presented and rounded off to the nearest Rupees.

**For B.R.R. Investments (Private) Limited  
(Modaraba Management Company)**

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**Rafique Dawood  
Chairman**

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**Ayaz Dawood  
Chief Executive Officer**

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**Waqas Anwar Qureshi  
Director**

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