

THE CRESCENT STAR INSURANCE COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2008

Note	Fire & Property	Marine & Transport	Motor	Other Classes	2008 Aggregate	2007 Aggregate
----- Rupees -----						
Revenue Account						
Net premium revenue	27,538,242	19,363,610	76,810,060	17,088,179	140,800,091	170,280,661
Net claims	(2,234,613)	(4,137,494)	(59,812,149)	(2,419,902)	(68,604,158)	(86,993,496)
Premium deficiency reserve	-	-	(4,945,603)	-	(4,935,185)	-
Expenses	(16,367,370)	(8,665,078)	(17,811,550)	(5,295,326)	(48,139,324)	(42,145,968)
Net commission	1,148,144	899,228	(12,660,101)	(3,109,989)	(13,722,718)	(14,966,360)
Underwriting result	10,084,403	7,460,266	(18,419,343)	6,262,962	5,398,706	26,174,837
Investment income					(9,010,802)	19,392,772
Profit on sale of fixed assets					405,492	230,202
Other Income					1,196,199	-
General and administrative expenses	22				(32,709,720)	(19,711,639)
					(40,118,831)	(88,665)
(Loss) / profit before tax					(34,720,125)	26,086,172
Provision for taxation	23				(329,763)	(2,050,175)
(Loss) / profit after tax					(35,049,888)	24,035,997
Profit and loss appropriation account						
Balance at commencement of the year					111,656	9,275,659
(Loss) / profit after tax for the year					(35,049,888)	24,035,997
Interim dividend paid [(Nil per share) (2007: Re.0.25 per share)]					-	(24,200,000)
Transfer to general reserve					-	(9,000,000)
Balance of (accumulated losses) / unappropriated profit at end of the year					(34,938,232)	111,656
(Loss) / earnings per share (Basic and diluted) – Rupees	26				(2.90)	2.19

The company has made a provision of Rs.18.581 million against the aggregate fall in the market value of available-for-sale quoted investments of Rs.56.716 million as at December 31, 2008. This amount has been provided in accordance with the treatment allowed under the SECP Circular 3/ 2009 dated February 16, 2009. Had the company treated the entire amount of the fall in value of investments as other than temporary and accounted for the same through the profit and loss account, the remaining amount of Rs.38.135 million would have been recognised in the profit and loss account for the year ended December 31, 2008 with a corresponding increase of Rs.37.416 million in accumulated losses at the end of the current year. Further, the loss per share for the year would also have been increased by Rs.3.16 (See note 13.8).

The annexed notes from 1 to 38 form an integral part of these financial statements.

ARDESHIR COWASJEE
Chairman

MUNIR I. MILLWALA
Managing Director
& Chief Executive

FAYYAZ F. MILLWALA
Director

M.H. MILLWALA
Director