



**FIRST
PRUDENTIAL
MODARABA**

**Quarterly Accounts
September 30, 2016
(Un-Audited)**

If undelivered please return to :

First Prudential Modaraba
8-C, Block-6, PECHS, Off. Sharah-e-Faisal, Karachi.
Tel: 021-34398852-5, 021-34370141

Managed by :
KASB Invest (Private) Limited

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CORPORATE INFORMATION

Board of Directors	Syed Waseem -ul- Haq Haqqie Syed Muhammad Rehmanullah Farrukh S. Ansari Rashid K. Siddiqui	Chairman Director Director Chief Executive Officer
Audit Committee	Farrukh S. Ansari Syed Muhammad Rehmanullah Syed Waseem -ul- Haq Haqqie	Chairman Member Member
Human Resource and Remuneration Committee	Farrukh S. Ansari Syed Waseem -ul- Haq Haqqie Syed Muhammad Rehmanullah Rashid K. Siddiqui	Chairman Member Member Member
Chief Financial Officer	Aftab Afroz Mahmoodi	
Company Secretary	Zia - ul - Haq	
Head of Internal Audit	Syed Shahid Owais	
Management Company	KASB Invest (Private) Limited	
Registered & Head Office	8-C, Block-6, PECHS, Off. Sharah-e-Faisal, Karachi. Tel: 021-34398852-5, 021-34370141	
Auditors	RSM Avais Hyder Liaquat Nauman Chartered Accountants	
Legal Advisor	Ahmed & Qazi	
Shariah Advisor	Mufti Muhammad Ibrahim Essa	
Bankers	Habib Bank Limited (Islamic Banking) Sindh Bank Limited Summit Bank Limited	
Share Registrar	C & K Management Associates (Pvt) Ltd. 404, Trade Tower, Abdullah Haroon Road, Karachi. Tel: 35687839, 35685930	

DIRECTORS' REPORT

The Board of Directors of KASB Invest (Private) Limited, the Management Company of First Prudential Modaraba is pleased to present un-audited condensed interim financial statements for the first quarter ended September 30, 2016 to the Certificate Holders.

FINANCIAL HIGHLIGHTS

Financial highlights for the period under review are summarized as under:-

As on and for the first quarter ended September 30, 2016

Rupees in '000'

Total assets	514,769
Current Assets	378,687
Non-Current Assets	136,082
Net Assets	454,204
Gross Revenue	28,843
Modaraba Management Company Fee	157
Net Profit	1,574
Earning Per Certificate	0.02
Transferred to Statutory Reserve	315

OPERATIONS AND PERFORMANCE

By the Grace of Allah, First Prudential Modaraba has successfully completed its quarter ended September 30, 2016. The period closed with net Profit of PKR.1.5 million. Major contribution was from Ijarah rental receivable of PKR. 22.2 million as compared to corresponding quarter's 2.2 million last year.

Operating and administrative expenses were mainly contributed by depreciation on Ijarah assets which amounted to PKR. 21.0 million with a corresponding increase in Ijarah income. Total income increased from PKR. 10 million to PKR.29 million from the previous year.

During the period the Modaraba entered into various secured new investments in Musharika, Morabaha and other secured financing avenues which would fetch quite reasonable returns to the Modaraba.

FUTURE PROSPECTS

The Modaraba has kept its focus on recovery of stuck up funds with defaulted clients. We are vigorously following up on release of huge funds which could have otherwise been used by the Modaraba to maximize the Certificate holders' wealth.

We are progressing with planned merger of First Prudential Modaraba and First Pak Modaraba to synergize the operations. We will keep exploring less risky high yielding investment avenues just as Agriculture, murabaha and Ijarah financing.

ACKNOWLEDGEMENT

The Board greatly appreciates the support co-operation of the regulatory authorities, certificate holders, customers and bankers and looks forward to their continued support and advice in future.

We pray to Almighty Allah for the success of your Modaraba.

For & on behalf of the
Board of Directors


Syed Muhammad Rehmanullah
Director

Karachi.

Dated: October 31, 2016

ڈائریکٹرز رپورٹ

کے۔ اے۔ ایس۔ بی انوسٹ (پرائیویٹ) لمیٹڈ، انتظامی کمپنی برائے فرسٹ پروڈینشل مضار بہ، کے بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ مضار بہ کی 30 ستمبر 2016 کو اختتام پذیر ہونے والی سہ ماہی کا عبوری ملٹس غیر آڈٹ شدہ مالیاتی گوشوارہ پیش کر رہا ہے

مالیاتی جھلکیاں

زیر جائزہ مدت کی مالیاتی جھلکیاں درج ذیل ہیں۔

برائے 30 ستمبر 2016 اور اس پر ختم ہونے والی سہ ماہی روپے "000" میں	
کل اثاثہ جات	514,769
رواں اثاثہ جات	378,687
غیر موجودہ اثاثہ جات	136,082
خالص اثاثہ جات	454,204
مجموعی آمدنی	28,843
معاوضہ برائے انتظامی کمپنی	157
خالص منافع	1,574
فی حصہ آمدنی	0.02
موضوعی تخصیص میں تبادلہ	315

انتظامی کارکردگی

اللہ تعالیٰ کے فضل و کرم سے فرسٹ پروڈینشل مضار بہ کی پہلی سہ ماہی کا مالیاتی سے اختتام پذیر ہوئی۔ مدت کا اختتام 1.5 ملین روپے کے خالص منافع پر ہوا۔

اہم اشترک 22.2 ملین روپے قابل وصول کر لیا جا رہا ہے جو کہ گذشتہ برس کی اسی سہ ماہی میں 2.2 ملین روپے تھا۔

اجارہ اثاثہ جات پرفورمنس کا تقابلی و انتظامی اخراجات میں اہم اشترک رہا۔ یہ اخراجات دوران سہ ماہی 21.0 ملین روپے رہے جنکی تزیین اجارہ آمدنی میں اضافہ کے ساتھ رہی۔

مجموعی آمدنی گذشتہ سال کی اسی سہ ماہی کے 10 ملین روپے سے بڑھ کر موجودہ سہ ماہی میں 29 ملین رہی۔

دوران مدت مضار بہ نے مشارکہ، مراحمہ اور دیگر محفوظ ذرائع میں نئی سرمایہ کاری کی جن سے مضار بہ کو قدرے مناسب آمدنی ہوگی۔ مستقبل کے امکانات

مضار بہ نے اپنی توجہ تازہ بندہ گان کے پاس پھنسی ہوئی رقم کی واگزارری پر مرکوز کی ہوئی ہے۔

ہم پھنسی ہوئی رقم کی بازیابی پر توجہ سے عمل پیرا ہیں جو کہ بصورت دیگر مضار بہ کے حصص یافتگان کی دولت میں اضافہ کے لئے استعمال ہو سکتے ہیں۔

ہم انتظامی مطابقت کے حصول کے لئے فرسٹ پروڈینشل مضار بہ اور فرسٹ پاک مضار بہ کے مجوزہ انضمام کی طرف گامزن ہیں۔

ہم اجارہ، مراحمہ مالیات اور زراعت جیسے کم خطر اور کثیر پیداواری سرمایہ کاری کے مواقع تلاش کرتے رہیں گے۔

اعتراف

بورڈ ریگولیری انتظامی، حصص یافتگان، کسٹمرز اور بینکران کی معاونت اور تعاون کو بے حد سراہتا ہے۔ اور مستقبل میں بھی انکی معاونت اور مشورے کا منتظر ہیں گے۔

ہم اللہ تعالیٰ کے حضور آپ کے مضار بہ کی کامیابی کے لئے دعا گو ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

— M. M. Razaq —

ڈائریکٹر
31 اکتوبر 2016

کراچی۔

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2016**

	Note	(Un-Audited) September 30 2016 Rupees	(Audited) June 30 2016 Rupees
ASSETS			
Current Assets			
Cash and bank balances	5	184,926,269	241,497,285
Investments	6	10,325,405	10,358,161
Musharika, morabaha and other finance	7	85,279,455	-
Diminishing musharika	8	19,753,419	30,644,746
Ijarah rentals receivable		17,841,597	12,572,462
Receivable against sale of agriculture produce		27,811,518	27,811,518
Advances, prepayments and other receivables		32,749,822	35,172,682
Total Current Assets		378,687,485	358,056,854
Non - Current Assets			
Long term investments	9	16,366,697	16,127,831
Long term portion of diminishing musharika	8	14,704,121	9,392,423
Property and equipment - own use	10	19,469,775	19,789,783
Property, plant and equipment - ijarah	11	66,340,964	89,519,677
Investment property		19,200,000	19,200,000
Total Non - Current Assets		136,081,557	154,029,714
TOTAL ASSETS		514,769,041	512,086,568
LIABILITIES			
Current Liabilities			
Ijarah deposits		10,760,531	13,139,781
Deferred morabaha income		690,743	-
Accrued and other liabilities		12,346,835	9,787,552
Unclaimed profit distribution		27,186,311	27,187,774
Total Current Liabilities		50,984,419	50,115,107
Non - Current Liabilities			
Long term portion of ijarah deposits		9,580,800	9,580,800
TOTAL LIABILITIES		60,565,219	59,695,907
NET ASSETS		454,203,822	452,390,661
REPRESENTED BY			
Issued, subscribed and paid up capital			
87,217,660 Modaraba Certificates of Rupees 10/- each		872,176,600	872,176,600
Statutory reserves		148,562,082	148,247,223
Accumulated loss		(566,534,860)	(568,033,162)
		454,203,822	452,390,661

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

For KASB Invest (Private) Limited
(Management Company)


CHIEF EXECUTIVE

DIRECTOR

DIRECTOR
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

	July 1, 2016 to September 30, 2016 Rupees	July 1, 2015 to September 30, 2015 Rupees
INCOME		
Ijarah rentals earned	22,204,409	2,151,097
Return on deposits with bank	2,839,292	4,255,585
Income on morabaha	2,108,712	-
Income on diminishing musharika	793,119	2,454,441
Capital gain on sale of investments	-	186,575
Dividend	238,500	437,250
Rental income from investment property	45,000	50,000
Other (loss)/ income	646,359	708,000
	28,875,391	10,242,948
Unrealised (loss)/ gain on investments - held for trading at fair value through profit or loss	(32,756)	317,482
	28,842,635	10,560,430
EXPENDITURE		
Depreciation on ijarah assets	(20,799,459)	(1,750,642)
Administrative expenses	(6,230,980)	(5,921,956)
Bank and other charges	(25,372)	(14,632)
	(27,055,811)	(7,687,230)
Profit for the year	1,786,825	2,873,200
Modaraba company's management fee	(157,429)	(253,145)
Sales tax on management fee	(23,614)	(37,972)
Workers welfare fund	(31,486)	(50,629)
Profit before taxation	1,574,295	2,531,454
Provision for taxation	-	-
Profit after taxation	1,574,295	2,531,454
Other comprehensive income		
Deficit on revaluation of investments available for sale	238,866	(186,019)
Total comprehensive income for the year	1,813,161	2,345,435
Earnings per certificate	0.02	0.03

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

For KASB Invest (Private) Limited
(Management Company)


CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	September 30 2016 Rupees	September 30 2015 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,574,295	2,531,454
Adjustments for non-cash changes and other items:		
Dividend income	(238,500)	(437,250)
Unrealised (gain)/ loss on changes in fair value of held for trading investments - at fair value through profit and loss	32,756	(317,482)
Capital gain on sale of investments	-	(186,575)
Loss/ (Gain) on disposal-own use assets	-	(600,000)
Depreciation-own use assets	357,410	384,152
Depreciation on ijarah assets	20,799,459	1,750,642
Amortization - intangibles	-	41,713
	<u>20,951,125</u>	<u>635,200</u>
	22,525,420	3,166,654
Cash flows before movements in working capital (Increase)/ decrease in operating assets		
Musharika, morabaha and other finance	(85,279,455)	-
Diminishing musharika	5,579,629	(29,340,260)
Ijarah rentals receivable	(5,269,135)	(55,918)
Advances, prepayments and other receivables	2,422,862	(691,512)
	<u>(82,546,099)</u>	<u>(30,087,690)</u>
Increase/ (decrease) in operating liabilities		
Ijarah deposits	(2,379,250)	(4,089,700)
Deferred morabaha income	690,743	-
Accrued and other liabilities	2,559,283	1,847,295
	<u>870,776</u>	<u>(2,242,405)</u>
Cash used in operations	(59,149,903)	(29,163,441)
Income tax paid	-	-
Net cash used in operating activities	(59,149,903)	(29,163,441)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	238,500	437,250
Investments (purchased)/ encashed - net	-	920,976
Proceeds from disposal - own use assets	-	600,000
Proceeds from disposal - ijarah assets	2,379,250	4,089,700
Purchase of own use assets	(37,400)	(248,515)
Net cash (used in)/ generated from investing activities	<u>2,580,350</u>	<u>5,799,411</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Profit distribution and net cash used in financing activities	(1,463)	-
Net (decrease) / increase in cash and cash equivalents (A+B+C)	<u>(56,571,016)</u>	<u>(23,364,030)</u>
Cash and cash equivalents at beginning of the period	241,497,285	315,062,081
Cash and cash equivalents at end of the period	<u>184,926,269</u>	<u>291,698,051</u>

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


CHIEF EXECUTIVE

For KASB Invest (Private) Limited
(Management Company)


DIRECTOR


DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Reserves				Total	
	Certificate capital	Capital *Statutory reserves	Revenue Unrealized gain/ (loss) on available for sale investments	Accumulated loss		Sub Total
Balance at July 1, 2015	872,176,600	144,083,929	(2,785,079)	(562,529,235)	(565,314,314)	450,946,215
Comprehensive income	-	-	-	2,531,454	2,531,454	2,531,454
Profit for the quarter ended September 30, 2015	-	-	(186,019)	-	(186,019)	(186,019)
Other comprehensive income	-	-	-	(506,291)	(506,291)	-
Transfer to statutory reserve	-	506,291	-	-	(506,291)	-
Balance at September 30, 2015	<u>872,176,600</u>	<u>144,590,220</u>	<u>(2,971,098)</u>	<u>(560,504,072)</u>	<u>(563,475,170)</u>	<u>453,291,650</u>
Balance at July 1, 2016	872,176,600	148,247,223	(2,097,039)	(565,936,123)	(568,033,162)	452,390,661
Comprehensive income	-	-	-	1,574,295	1,574,295	1,574,295
Profit for the quarter ended September 30, 2016	-	-	238,866	-	238,866	238,866
Other comprehensive income	-	-	-	(314,859)	(314,859)	-
Transfer to statutory reserve	-	314,859	-	-	(314,859)	-
Balance at September 30, 2016	<u>872,176,600</u>	<u>148,562,082</u>	<u>(1,858,173)</u>	<u>(564,676,687)</u>	<u>(566,534,860)</u>	<u>454,203,822</u>

Balance at July 1, 2015
Comprehensive income
Profit for the quarter ended September 30, 2015
Other comprehensive income
Transfer to statutory reserve
Balance at September 30, 2015

Balance at July 1, 2016
Comprehensive income
Profit for the quarter ended September 30, 2016
Other comprehensive income
Transfer to statutory reserve
Balance at September 30, 2016

*Statutory reserve represents profit set aside to comply with the Prudential Regulations for Modarabas issued by the SECP.
The annexed notes form an integral part of these condensed interim financial statements.

For KASB Invest (Private) Limited
(Management Company)


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 First Prudential Modaraba (the Modaraba) is a multipurpose, perpetual Modaraba. The Modaraba is registered under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Modaraba Companies and Modaraba Rules, 1981 and was managed by Prudential Capital Management Limited (PCML). In pursuance of instructions received from Securities and Exchange Commission of Pakistan (SECP), KASB Invest (Private) Limited has taken over the management and administrative control of First Prudential Modaraba effective from November 13, 2014.

1.2 The registered office of KASB Invest (Private) Limited is situated at 8-C, Block 6, PECHS, Shahrah-e-Faisal, Karachi. The Modaraba is listed on Pakistan Stock Exchange. The Modaraba is currently engaged in various modes of Islamic fundings and businesses which include ijarah financing, deployment of fund in musharika, morabaha and investment in securities.

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

2 STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting', the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issued by SECP prevail.

2.2 These 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 financial statements of the Modaraba for the year ended June 30, 2016.

3 BASIS OF PREPARATION

These condensed interim financial statements have been prepared under the historical cost convention, except for certain investments which have been measured at fair value.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual financial statements of the Modaraba for the year ended June 30, 2016.

	Note	Un-audited September 30, 2016 Rupees	Audited June 30, 2015 Rupees
5 CASH AND BANK BALANCES			
Cash in hand		10,000	10,219
Cash at banks			
Current accounts		9,785,721	9,785,822
Saving accounts	5.1	175,130,548	231,701,244
		<u>184,916,269</u>	<u>241,487,066</u>
		<u>184,926,269</u>	<u>241,497,285</u>

5.1 Effective mark-up rate in respect of PLS accounts ranges from 2.75% to 6.10% per annum (Jun 2016: 2.00% to 7.00%) per annum.

Note	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 Rupees
6 INVESTMENTS		
Loans and receivables		
Receivable against TDR - considered good	702,490	702,490
Held for trading at fair value through profit or loss		
- quoted securities	6.1&6.2 <u>9,622,915</u>	<u>9,655,671</u>
	<u>10,325,405</u>	<u>10,358,161</u>

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

	Un-Audited September 30, 2016	Audited June 30, 2016	Name of investee company/ modaraba	Un-Audited September 30, 2016	Audited June 30, 2016
			Number of shares/ certificates		
	525	525	Personal goods Nishat Mills Limited	73,971	56,647
	79,500	79,500	Electricity The Hub Power Company Limited	9,474,015	9,544,770
	1,495	1,495	Multiutilities (Gas and Water) Sui Northern Gas Pipeline Limited	74,929	54,254
	<u>81,520</u>	<u>81,520</u>		<u>9,622,915</u>	<u>9,655,671</u>

6.2 Unrealised (loss) / gain on investments - held for trading at fair value through profit or loss

Weighted average cost of investments	9,655,671	7,538,613
Changes in fair value for the year	(32,756)	2,117,058
Market value of investments	<u>9,622,915</u>	<u>9,655,671</u>

7 MUSHARIKA, MORABAHA AND OTHER FINANCE

Musharika and morabaha finance	85,279,455	-
- considered good	341,704,089	341,704,089
- considered doubtful	(341,704,089)	(341,704,089)
Less: Provision against doubtful amounts		
	<u>85,279,455</u>	-

	Note	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 Rupees
Other finance - unsecured		-	-
- considered good		11,002,281	11,002,281
- considered doubtful		(11,002,281)	(11,002,281)
Less: Provision against doubtful amounts		-	-
		<u>85,279,455</u>	<u>-</u>
8 DIMINISHING MUSHARIKA			
Principal		34,069,512	39,366,602
Profit		<u>388,028</u>	<u>670,567</u>
		34,457,540	40,037,169
Less: Long term portion of diminishing musharika		<u>(14,704,121)</u>	<u>(9,392,423)</u>
		<u>19,753,419</u>	<u>30,644,746</u>
8.1 These carry profit rate ranging from 12.00% to 16.00% (Jun 2016: 12.00% to 16.00%) per annum and are repayable on monthly basis over a maximum period of 3 years.			
9 LONG TERM INVESTMENTS			
Available for sale			
Listed entities	9.1	6,441,551	6,202,685
Unlisted companies	9.2	<u>9,925,146</u>	<u>9,925,146</u>
		<u>16,366,697</u>	<u>16,127,831</u>
9.1 Listed entities			
Un-Audited September 30, 2016	Audited June 30, 2016	Name of investee company	Un-Audited September 30, 2016
			Audited June 30, 2016
Number of units of Rs 10 each			
391,583	391,583	Meezan Balanced Fund	
		Cost	6,202,685
		Unrealized gain	<u>238,866</u>
			<u>6,441,551</u>
9.2 Unlisted companies			
Number of shares of Rs 10 each			
1,107,244	1,107,244	Prudential Securities Limited	
		Cost	4,173,707
		Less: Impairment	<u>(4,173,707)</u>
			-
191,700	191,700	Prudential Discount and Guarantee House Limited	-
843,975	843,975	LSE Financial Services Limited	
		Cost	<u>12,764,715</u>
		Less: Fair value adjustment	<u>(2,839,569)</u>
			<u>9,925,146</u>
			<u>9,925,146</u>

9.2.1 Due to adverse financial conditions of the investee Company, investments have been fully impaired.

9.2.2 This represents shares acquired against the surrender of Pakistan Stock Exchange (PSX) formerly Lahore Stock Exchange (LSE) membership card. Under the current circumstances the active market is not available for such shares, therefore the net asset based valuation has been considered as the closest estimate of the fair value of the shares. The Modaraba has recognized a fair value adjustment based on latest available audited financial statements of the investee company for the year ended June 30, 2015, the breakup value of which is Rs. 11.76 per share.

	Note	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 Rupees
10 PROPERTY AND EQUIPMENT - OWN USE		<u>19,469,775</u>	<u>19,789,783</u>
10.1 Details of addition / (disposal) during the period			
Addition			
- Furniture & fixture		-	207,015
- Computer equipment		37,400	-
- Vehicle		-	<u>41,500</u>
		<u>37,400</u>	<u>248,515</u>
Disposal			
- Vehicle		-	1,090,576
		-	<u>1,090,576</u>
11 PROPERTY PLANT AND EQUIPMENT - IJARAH		<u>66,340,964</u>	<u>89,519,677</u>
11.1 Details of addition / (disposal) during the period			
Addition		-	-
Disposal			
- Vehicle		<u>2,379,250</u>	<u>4,089,700</u>

12 CONTINGENCIES & COMMITMENTS

Contingencies

The taxation officer while making assessment in respect of tax year 2006, 2007 and 2008 disallowed certain expenses on account of apportionment between normal and presumptive income and created an additional demand of Rs. 6.53 million.

No provision has been made in the financial statements in this regard as the management is confident that the ultimate outcome of the appeals in question will be in favour of the Modaraba.

13 TAXATION

The income of the Modaraba is exempt from tax, provided that not less than 90% of their profits are distributed to the certificate holders. The Modaraba is also exempt from the provisions of section 113 (minimum tax) under clause 11 of Part IV of the Second Schedule of the Income Tax Ordinance, 2001.

14 RELATED PARTY TRANSACTIONS

Relationship with the Modaraba	Nature of Transaction	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 Rupees
Transactions during the period			
Relationship with the Modaraba			
Modaraba Management Company	Management fee	157,429	253,145
Modaraba under common management	Sharing of common expenses	1,787,196	1,270,464
Provident Fund	Contribution made	64,203	48,702
Balances at the end of the period			
Relationship with the Modaraba			
Modaraba Management Company	Management fee	931,422	2,716,641
Modaraba under common management	Sharing of common expenses	5,075,369	2,767,150
Provident Fund	Contribution made	-	-

15 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purposes of appropriate presentation. There have been no significant reclassification in these financial statements.

16 FINAL DIVIDEND

The Board of Directors have approved dividend for the year ended June 30, 2016 of Re 0.18 per certificate (2015: Re. 0.23 per certificate), amounting to Rs.15,699,179/- (2015: Rs.20,060,062/-) at their meeting held on October 7, 2016. The financial statements do not include the effect of the above which will be accounted for in the period in which it is declared.

17 DATE OF AUTHORISATION OF ISSUE

These condensed interim financial statements have been authorised for issue on October 31, 2016, by the Board of Directors of the KASB Invest (Private) Limited.

18 FIGURES

Figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE

For KASB Invest (Private) Limited
(Management Company)


DIRECTOR

DIRECTOR