

FIRST PAK MODARABA

QUARTERLY REPORT FOR THE PERIOD ENDED 31-Mar-2019

CORPORATE INFORMATION

Administrator of First Pak Modaraba

The Registrar Modaraba, Securities & Exchange Commission of Pakistan, Islamabad has appointed Mr. Khawaja Waheed Raza as Administrator of First Pak Modaraba vide order dated April 03, 2019. All the powers and duties of the Modaraba Company as well as those of its Board of Directors have been assumed by the Administrator effective April 08, 2019.

Chief Financial Officer

Aftab Afroz Mahmoodi

Company Secretary

Syed Shahid Owais

Auditor

RSM Avais Hyder Liaquat Nauman, Chartered Accountants

Internal Auditor

EY Ford Rhodes

Certificate Transfer Office

F.D. Registrar Services (SMC-Pvt) Limited.
Office No: 1705, 17th Floor, Saima Tower-A,
I.I.Chundrigar Road, Karachi-74000
Phone: 021-32271905-6 Fax: 021- 32621233

Legal Advisor

Ahmed & Qazi
S & B Durrani Law Associates

Shariah Advisor

Al-Hamd Shariah Advisory Services (Pvt) Limited

Registered Office & Head Office

16-C, Bukhari Towers,
Main Khayaban-e-Bukhari,
Phase VI, DHA, Karachi
Phone: 021-35171786-89

DHA Branch Office

16-C, Bukhari Towers,
Main Khayaban-e-Bukhari,
Phase VI, DHA, Karachi
Phone : 021-35171786-89

Lahore Branch Office

Office No. 318 3rd Floor,
Lahore Stock Exchange Building,
19 Khayaban-e-Awan-e-Iqbal, Lahore
Phone : 042-36311001-02

Islamabad Branch Office

Basement, 90-91,
Razia Sharif Plaza ,Jinnah Avenue,
Blue Area, F-7, Islamabad.
Phone: 051-2344422-24

Web Address

www.firstpakmodaraba.com

DIRECTORS' QUARTERLY REPORT

The Financial Highlights of First Pak Modaraba for the quarter ended March 31, 2019 are as under:-

FINANCIAL HIGHLIGHTS

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

BALANCE SHEET	March 31, 2019 Rs "000" (Un-Audited)	June 30, 2018 Rs "000" (Audited)
Cash & Bank balance	12,594	15,591
Investments	64	1,270
Diminishing Musharaka Finance	42,603	31,606
Ijarah Assets	11,657	20,673
Total Assets	74,175	75,477
PROFIT & LOSS ACCOUNT	July-March 31, 2019 Rs "000" (Un-Audited)	July-March 31, 2018 Rs "000" (Un-Audited)
Gross Income	10,503	7,395
Operating & Financial Charges	(8,848)	(5,283)
Management Company Fee	(150)	(192)
Net Profit for the period	1,505	1,920
Earning per Modaraba Certificate (Rupees)	0.12	0.15

OPERATIONS AND PERFORMANCE

By the grace of Almighty Allah, the third quarter of the financial year of the Modaraba ended successfully. The Modaraba registered net profit of Rs.1.50 million as compared to net profit of Rs 1.92 million for the corresponding period of the last year. Earning per certificate was Rs.0.12 as compared to Rs 0.15 for the corresponding period of the last year.

The Registrar Modaraba, Securities & Exchange Commission of Pakistan, Islamabad has appointed Administrator of First Pak Modaraba vide order dated April 03, 2019. All the powers and duties of the Modaraba Company as well as those of its Board of Directors have been assumed by the Administrator effective April 08, 2019.

The Administrator and management are committed towards continuous improvement of the operating and financial performance of the Modaraba for its long term sustainability and to meet the expectations of the stakeholders especially the certificate holders.

FUTURE PROSPECTS

With the aim and strategy of growing with Sharia compliant businesses, we would keep exploring and opting high yield businesses where we find secure and safe investment venues only. We trust that we would under changed circumstance formulate appropriate policies per our short and longer term plans with innovative approach for better returns for the Certificate holders.

ACKNOWLEDGEMENT

The support co-operation of the regulatory authorities, certificate holders, customers and bankers is gratefully appreciated.

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

For First Pak Modaraba

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Khawaja Waheed Raza
Administrator
Dated: April 29, 2019
Karachi

رپورٹ

فرسٹ پاک مضاربہ، انتہائی مسرت کے ساتھ مضاربہ کے 31 مارچ 2019 کو اختتام پذیر ہونے والی تیسری سہ ماہی کا غیر آڈٹ شدہ مالیاتی گوشوارہ پیش کر رہا ہے۔

مالیاتی جھلکیاں

زیر جائزہ مدت کے لئے مالیاتی جھلکیوں کا خلاصہ درج ذیل ہے:-

30 جون 2018 روپے ”۰۰۰“ میں	31 مارچ 2019 روپے ”۰۰۰“ میں	بیلنس شیٹ
15,591	12,594	نقد اور بینک بیلنس
1,270	64	سرمایہ کاری
31,606	42,603	شرکت متناقصہ
20,673	11,657	اجارہ اثاثہ جات
75,477	74,175	مجموعی اثاثہ جات
جولائی-مارچ 2018 روپے ”۰۰۰“ میں	جولائی-مارچ 2019 روپے ”۰۰۰“ میں	نفع و نقصان کا حساب
7,395	10,503	مجموعی آمدنی
(5,283)	(8,848)	انتظامی و مالیاتی اخراجات
(192)	(150)	مینجمنٹ کمپنی فیس
1,920	1,505	خالص منافع برائے سہ ماہی
0.15	0.12	فی حصہ منافع (روپے)

انتظامی کارکردگی

اللہ تعالیٰ کے فضل و کرم سے کے اے ایس بی مضاربہ کی تیسری سہ ماہی کامیابی سے اختتام پذیر ہوئی۔ موجودہ مدت 1.5 ملین روپے کا خالص منافع ہوا جو کہ سال گزشتہ اسی مدت کے دوران 1.92 ملین روپے (نقصان) تھا۔

فی حصہ آمدنی 0.12 روپے رہی جو کہ اسی مدت میں سال گزشتہ 0.15 روپے تھی رجسٹرار مضاربہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسلام آباد نے آرڈر بتاریخ 3 اپریل 2019 کہ ذریعہ ناظم کا تقرر کیا ہے جس کے تحت مضاربہ کمپنی اور اس کے بورڈ آف ڈائریکٹرز کے تمام اختیارات اور فرائض مورخہ 8 اپریل سے ناظم کے زیر اثر ہیں۔

ناظم اور انتظامیہ مضاربہ کی انتظامی و مالیاتی ترقی اور دیرپا استحکام کے لئے پُر عزم ہے۔ اور تمام اسٹیک ہولڈرز خصوصاً حصہ داروں کے لئے بہتر معاوضے کے لئے پُر امید ہے۔

مستقبل کے امکانات

شریعت کے مطابق کاروبار کے ذریعے ترقی کرنے کا مقصد اور حکمتِ عملی کے ساتھ ہم اعلیٰ پیداواری اور منافع بخش کاروبار کی تلاش اور جستجو کرتے رہیں گے۔

ہم اس یقین کے ساتھ آگے بڑھتے رہیں گے کہ ہمارے قلیل المیعاد اور طویل المدت اہداف حاصل ہو جائیں۔

ہم جدید طرز کاروبار کے ساتھ جدوجہد میں مصروف رہیں گے تاکہ موجودہ کاروباری نتائج اور درجہ بندی کے مقابلے میں بہتر نتائج حاصل کر سکیں جس کے ذریعے حصہ داروں کو بہتر منافع پہنچا سکیں۔

اعتراف

ہم ریگولیٹری اتھارٹی، حصہ داروں، کسٹمرز اور بینکرز کی معاونت اور تعاون کو بہت سراہتے ہیں اور مستقبل میں بھی ان کی معاونت اور مشورے کا منتظر ہیں

ہم اللہ کے حضور آپ کے مضاربہ کی کامیابی کے لئے دُعا گو ہیں۔

کے اے اس بی مضاربہ کی جانب و توسط سے

SD

خواجہ وحید رضا

ناظم

29 اپریل 2019ء

کراچی

**FIRST PAK MODARABA
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2019**

ASSETS	Note	(Unaudited) March 31, 2019	(Audited) June 30, 2018
		Rupees	
Current Assets			
Cash and bank balances	6	12,594,755	15,590,972
Investments	7	64,030	1,270,784
Current portion of diminishing musharika	8	20,131,770	17,957,016
Morabaha finance	9	-	-
Ijarah rentals receivable	10	131,413	179,503
Advances, deposits, prepayments and other receivables	11	1,607,855	581,121
Tax refundable - considered good		4,929,854	4,929,854
Total Current Assets		39,459,677	40,509,250
Non - Current Assets			
Property and equipment - Ijarah	12	11,657,971	20,672,913
Property and equipment - owned	13	539,541	600,012
Long term portion of diminishing musharika	8	22,472,960	13,649,007
Advance and deposits		45,750	45,750
Total Non - Current Assets		34,716,222	34,967,682
TOTAL ASSETS		74,175,899	75,476,932
LIABILITIES			
Current Liabilities			
Accrued and other liabilities		1,973,133	1,911,201
Unclaimed profit distribution		5,481,278	4,814,302
		7,454,411	6,725,503
Non-Current Liabilities			
Long term deposits		4,409,000	6,189,000
TOTAL LIABILITIES		11,863,411	12,914,503
NET ASSETS		62,312,488	62,562,429
REPRESENTED BY			
Certificate holders' equity			
Certificate Capital		125,400,000	125,400,000
Statutory reserve		26,345,976	26,044,844
Accumulated loss		(89,433,488)	(88,882,415)
			62,562,429
Contingencies and commitments	14		

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

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ADMINISTRATOR

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CHIEF FINANCIAL OFFICER

FIRST PAK MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2019

Note	Nine months period ended March 31,		Quarter Ended March 31,	
	2019	2018	2019	2018
	Rupees			
INCOME				
Return on PLS accounts	488,896	440,191	109,552	123,426
Income on diminishing musharika	4,129,972	4,398,263	1,622,477	1,336,379
Ijarah rentals	4,863,395	2,266,257	1,535,996	1,411,334
Other income	1,021,354	290,685	35,410	35,000
	<u>10,503,617</u>	<u>7,395,396</u>	<u>3,303,435</u>	<u>2,906,139</u>
Unrealised (loss)/gain on remeasurement of held for trading investments	(42,121)	(55,380)	2,730	87,864
	<u>10,461,496</u>	<u>7,340,016</u>	<u>3,306,165</u>	<u>2,994,003</u>
EXPENDITURE				
Administrative expenses	(4,935,642)	(3,284,624)	(1,743,718)	(1,150,551)
Depreciation on Ijarah assets	(3,819,942)	(1,875,411)	(1,228,314)	(1,227,286)
Workers welfare fund	(30,113)	(38,414)	(5,898)	(10,858)
	<u>(8,785,697)</u>	<u>(5,198,449)</u>	<u>(2,977,930)</u>	<u>(2,388,695)</u>
Profit for the period	1,675,799	2,141,567	328,235	605,308
Modaraba Company's Management Fee	15 (150,566)	(192,069)	(29,491)	(54,288)
Provision for sales tax on management fee	(19,574)	(28,810)	(3,834)	(8,143)
Profit before taxation	<u>1,505,659</u>	<u>1,920,688</u>	<u>294,910</u>	<u>542,877</u>
Provision for taxation	16 -	-	-	-
Profit after taxation	<u>1,505,659</u>	<u>1,920,688</u>	<u>294,910</u>	<u>542,877</u>
Other Comprehensive income	-	-	-	-
Total income for the period	<u>1,505,659</u>	<u>1,920,688</u>	<u>294,910</u>	<u>542,877</u>
Earnings per certificate	<u>0.12</u>	<u>0.15</u>	<u>0.02</u>	<u>0.04</u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

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ADMINISTRATOR

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CHIEF FINANCIAL OFFICER

FIRST PAK MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2019

	Certificate capital	Statutory reserve*	Accumulated loss	Total
	—————Rupees—————			
Balance as at July 1, 2017 (Audited)	125,400,000	25,602,220	(88,521,111)	62,481,109
Profit for the period ended March 31, 2018	-	-	1,920,688	1,920,688
Final dividend Re.0.14 per certificate for the year ended June 30, 2018			(2,131,800)	(2,131,800)
Transfer to statutory reserve	-	384,138	(384,138)	-
Balance as at March 31, 2018 (Unaudited)	<u>125,400,000</u>	<u>25,986,358</u>	<u>(89,116,361)</u>	<u>62,269,997</u>
Balance as at July 1, 2018 (Audited)	125,400,000	26,044,844	(88,882,415)	62,562,429
Profit for the period ended March 31, 2019		-	1,505,659	1,505,659
Final dividend Re.0.14 per certificate for the year ended June 30, 2018			(1,755,600)	(1,755,600)
Transfer to statutory reserve	-	301,132	(301,132)	-
Balance as at March 31, 2019 (Unaudited)	<u>125,400,000</u>	<u>26,345,976</u>	<u>(89,433,488)</u>	<u>62,312,488</u>

*Statutory reserve represents profit set aside to comply with the Prudential Regulations for Modarabas issued by the SECP.

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

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ADMINISTRATOR

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CHIEF FINANCIAL OFFICER

FIRSTPAK MODARABA
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2019

	<u>Period Ended</u>	
	March 31, 2019	March 31, 2018
	Rupees	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,505,659	1,920,688
Adjustments for non-cash changes and other items:		
-Unrealised gain/(loss) on remeasurement of held for trading investments	42,121	55,380
-Depreciation on ijarah assets	3,819,942	1,875,411
-Depreciation-owned	60,471	13,094
	<u>3,922,534</u>	<u>1,943,885</u>
	5,428,193	3,864,573
Cash flows before movements in working capital		
Decrease / (increase) in operating assets		
-Diminishing Musharika	(10,998,707)	7,667,581
-Ijarah rentals receivable	48,090	-
-Advances, prepayments and other receivables	(978,551)	(531,258)
	<u>(11,929,168)</u>	<u>7,136,323</u>
Increase / (decrease) in operating liabilities		
-Long term Ijarah deposits	(1,780,000)	-
-Accrued and other liabilities	61,932	4,539,215
	<u>(1,718,068)</u>	<u>4,539,215</u>
Cash generated from / (used in) operations	(8,219,043)	15,540,111
-Income tax paid / adjustment	(48,183)	-
Net cash generated from / (used in) operating activities	<u>(8,267,226)</u>	<u>15,540,111</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
-Capital work in progress	-	-
Dividend received	-	-
Investments encashed / (made) -net	1,164,633	-
Purchase of own assets	-	-
-Purchase of Ijarah assets	5,195,000	(19,935,000)
Net cash (used in) investing activities	<u>6,359,633</u>	<u>(19,935,000)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Profit distribution	(1,088,624)	(1,669,669)
Net cash used in financing activities	<u>(1,088,624)</u>	<u>(1,669,669)</u>
Net (decrease) in cash and cash equivalents (A+B+C)	(2,996,217)	(6,064,558)
Cash and cash equivalents at July 01	15,590,972	16,157,822
Cash and cash equivalents at March 31	<u>12,594,755</u>	<u>10,093,264</u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

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ADMINISTRATOR

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CHIEF FINANCIAL OFFICER

FIRSTPAK MODARABA
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 First Pak 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 Royal Management Services (Pvt) Ltd. In pursuance of instructions received from Securities and Exchange Commission of Pakistan (SECP), KASB Invest (Private) Limited (KIPL) took over the management and administrative control of First Pak Modaraba from November 13, 2014.
- 1.2 The Registrar (Modarabas), with the approval of the Securities & Exchange Commission of Pakistan, vide order dated April 03, 2019 appointed Mr. Khawaja Waheed Raza as Administrator of the Modaraba to take over and manage the Modaraba in place of KIPL (Management Company).
Accordingly, all the powers and duties of the Modaraba Company as well as those of its Board of Directors shall be exercised and performed by the Administrator.
The Administrator will hold the office during pleasure of the Registrar (Modarabas)/ Commission for a term of six months,
- 1.3 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 funds in musharika, morabaha and investment in securities.
- 1.4 The Financial Statements is 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 Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities & Exchange Commission of Pakistan (SECP). In case where requirements differ, the requirements of Modaraba Companies and Modaraba (Floatation & Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issues 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, 2018. .
- 2.3 This condensed interim financial statements comprises of the condensed interim balance sheet as at June 30, 2018 and the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and the notes forming part thereof for the period ended March 31, 2018.
- 2.4 The comparative condensed balance sheet, presented in this condensed interim financial statements, as at June 30, 2018 has been extracted from the annual audited financial statements of the Modaraba for the year ended June 30, 2018 whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year ended March 31, 2018 have been extracted from the condensed interim financial statements for the period ended March 31, 2018.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted for the preparation of this condensed interim financial statements are the same as those applied in preparing the financial statements of the Modaraba for the year ended June 30, 2018.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing the condensed interim financial statements, the significant judgments made by management in applying the Modaraba's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Modaraba as at and for the year ended June 30, 2018.

5 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.

6 CASH AND BANK BALANCES	Note	Unaudited	Audited
		March 31, 2019	June 30, 2018
		----Rupees----	
Cash in hand		10,000	7,230
Cash at banks			
Current accounts		1,208,478	1,140,461
Saving accounts	6.1	11,376,277	14,443,281
		12,584,755	15,583,742
		12,594,755	15,590,972

6.1 Effective mark-up rate in respect of PLS accounts ranges from 3.90% to 4.50% (June 2018: 3.90% to 3.90%) per annum.

7 INVESTMENTS

Available for sale	7.1	-	-
Held for trading at fair value through profit or loss account	7.2	64,030	1,270,784
		64,030	1,270,784
		64,030	1,270,784

7.1 Available for sale

Fully paid ordinary shares of Rs 10 each.

	Unaudited March 31, 2019	Audited June 30, 2018		
			Number of Shares Unquoted securities	Name of company
				Prudential Securities Limited
	487,500	487,500	Cost	4,875,000
			Less: Pemanent Diminution (7.1.1)	4,875,000
				(4,875,000)
				-
				-

7.1.1 The operations of Prudential Securities Limited remained suspended that indicates a significant and prolonged decline in the fair value of this investment below carrying value resulting in an objective evidence of impairment. Therefore, the investment

7.2 Held for trading at fair value through profit or loss account

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

	Unaudited March 31, 2019	Audited June 30, 2018		Unaudited March 31, 2019	Audited June 30, 2018
	Number of Certificates / Shares		Name of Company	-----Rupees-----	
			Open-end Mutual Funds		
	-	82,324	Meezan Balanced Fund	-	1,270,784
			Investment in shares		
			Engineering		
	1,000	-	International Steels Ltd	64,030	-
			Suspended / Delisted Company		
	120,000	120,000	Prudential Investment Bank Limited	-	-
	279,749	279,749	Pakistan Industrial & Commercial Leasing Limited	-	-
				<u>64,030</u>	<u>1,270,784</u>
7.2.1 Unrealized loss on changes in fair value of held for trading investments				Unaudited March 31, 2019	Audited June 30, 2018
				-----Rupees-----	
Weighted average cost of investments				106,151	1,395,399
Unrealized gain/ (loss) on changes in fair value of held for trading investments				<u>(42,121)</u>	<u>(124,615)</u>
Market value of investments				<u>64,030</u>	<u>1,270,784</u>
8 DIMINISHING MUSHARIKA					
Diminishing Musharika			8.1	42,604,730	31,606,023
Less: Current portion of diminishing musharika				<u>(20,131,770)</u>	<u>(17,957,016)</u>
				<u>22,472,960</u>	<u>13,649,007</u>
8.1	These finance carry profit rate ranged from 12.50% to 17.00% per annum and are payable on monthly basis over a period from 6 months to 4 years.				
9 MORABAHA FINANCE					
Morabaha finance - Unsecured			9.1	15,319,705	15,319,705
Less: Provision for doubtful morabaha finance				<u>(15,319,705)</u>	<u>(15,319,705)</u>
				<u>-</u>	<u>-</u>
9.1	This include amount of Morabaha finance receivable from five different parties outstanding since many years. As per term of agreement, the profit against these finance ranged from 16.5% to 20%, however, based on the guidelines of prudential regulation for Modaraba, the principal and profit against these finances have been fully provided and suspended accordingly.				

	Unaudited March 31, 2019	Audited June 30, 2018
	-----Rupees-----	
12 PROPERTY AND EQUIPMENT-IJARAH		
Net Book value	<u>11,657,971</u>	<u>20,672,913</u>
Details of addition / (disposal) during the period		
Addition	-	19,935,000
Deletion	9,014,942	-
13 PROPERTY AND EQUIPMENT- OWN		
Net Book value	<u>539,541</u>	<u>600,012</u>
Details of addition / (disposal) during the period		
Addition	<u>-</u>	<u>610,759</u>
Deletion	<u>-</u>	<u>(83,500)</u>

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2019.

15 MODARABA COMPANY'S MANAGEMENT FEE

The management fee is calculated @ 10% on profit before tax.

16 PROVISION FOR TAXATION

The income of the Modaraba is exempt from tax provided that not less than 90% of total profits in the year as reduced by the amount transferred to statutory reserve, required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance 1980, are distributed amongst the certificate holders. Since section 113 of the Income Tax Ordinance, 2001 is not applicable on the Modaraba, no provision for taxation has been made in these financial statements.

17 RELATED PARTY TRANSACTIONS

Relationship with the Company	Nature of Transactions	Unaudited	Unaudited
		March 31, 2019	March 31, 2018
		-----Rupees-----	
Expense for the period			
Modaraba Management Company	Management fee	<u>150,566</u>	<u>192,069</u>
Modaraba under common management	Sharing of common expenses	<u>1,082,339</u>	<u>-</u>
Provident Fund	Contribution made	<u>55,105</u>	<u>38,790</u>
Payments made during the period			
Modaraba Management Company	Management fee	<u>221,312</u>	<u>106,596</u>
Modaraba under common management	Sharing of common expenses	<u>1,082,339</u>	<u>-</u>
Provident Fund	Contribution made	<u>55,105</u>	<u>38,790</u>
Balance as at the end of period			
		Unaudited	Audited
		March 31, 2019	June 30, 2018
		-----Rupees-----	
Modaraba Management Company	Management fee (Payable)	<u>150,566</u>	<u>221,312</u>
Modaraba under common management	Sharing of common expenses (Pay	<u>-</u>	<u>-</u>

18 These condensed interim financial statements has been authorized for issue on April 29, 2019 by the Administrator.

19 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.

20 GENERAL

Figures have been rounded off to the nearest Rupee.

-sd-

ADMINISTRATOR














-sd-

CHIEF FINANCIAL OFFICER



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