

# **KASB MODARABA**

QUARTERLY REPORT  
SEPTEMBER 30, 2022

MANAGED BY  
**AWWAL MODARABA MANAGEMENT LIMITED**

# Vision

Awwal Modaraba Management Limited (AMML) will play a role in the economic process and development of Pakistan by providing a range of advisory services and financial support, through Sharia compliant modes; to viable projects in high growth, capital starved sectors of the economy.

## Mission

Awwal Modaraba Management Limited (AMML) aims to be at the vanguard of innovation in modaraba management services, offering the best solutions to our customers, value to our certificate holders and modaraba investors, complemented with a challenging, equal opportunity to our employees.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	Chairman	Independent Director
Mr. Shahid Ghaffar		Independent Director
Ms. Ayesha Aziz		Non-Executive Director
Mr. Abdul Jaleel Shaikh		Non-Executive Director
Mr. Saiyid Najam Rizvi		Non-Executive Director
Mr. Karim Hatim		Chief Executive Officer

### **Audit Committee**

Mr. Shahid Ghaffar	Chairman
Mr. Khalid Aziz Mirza	Member
Mr. Abdul Jaleel Shaikh	Member
Mr. Saiyid Najam Rizvi	Member

### **Human Resource and Remuneration Committee**

Mr. Khalid Aziz Mirza	Chairman
Ms. Ayesha Aziz	Member
Mr. Karim Hatim	Member

### **Company Secretary**

Ms. Misbah Asjad

### **Chief Financial Officer**

Mr. Aftab Afroz Mahmoodi

### **Auditor**

Grant Thornton Anjum Rehman, Chartered Accountants

#### **Bankers**

Dubai Islamic Bank  
Soneri Bank

#### **Certificate Registrar**

C&K Management Associates (Pvt.) Limited  
404, Trade Tower, Abdullah Haroon Road,  
Near Metropole Hotel, Karachi – 75530  
Phone: 021-35687839 & 021-35685930

### **Legal Advisor**

Ahmed & Qazi  
S & B Durrani Law Associates

### **Shariah Advisor**

Al-Hilal Shariah Advisors (Private) Limited

### **Registered & Head Office**

3<sup>rd</sup> Floor, Horizon Vista, Plot No: Commercial 10,  
Block-4, Clifton, Karachi  
Phone : 021- 35361215-9,Fax: 021-35374275

## **Directors' Report**

### **For the three months period ended 30 September 2022**

On behalf of the Board of Directors of Awwal Modaraba Management Limited, the management company of KASB Modaraba, we are pleased to present Directors' Report together with the unaudited financial results of KASB Modaraba for the three months period ended 30 September 2022.

#### **Economy**

The State Bank of Pakistan has kept the policy rate unchanged since the last hike in July 2022 when the rate was increased to 15%. Monetary Policy Statement cited various reasons in support of the decision including fall in headline inflation to 23.2% in Sep 2022 from 27.3% in Aug 2022 driven by a reduction in electricity prices. Desired moderation in economic activity has become more visible though core inflation continued to drift upwards in both rural and urban areas fueled by supply side shocks. The current account and trade deficits narrowed significantly in Aug-Sep, and the Rupee has recouped some of its losses following the recent depreciation. In Sep 2022, Pakistan's trade deficit reduced by 20% YoY to USD2.8bn led by a sharp decline in imports. Moody's downgraded Pakistan's local and foreign debt ratings to Caa1 from B3 along with decline in the deposit rating of five commercial banks. The downgrade was due to increased government liquidity requirements, external vulnerability risks and higher debt sustainability risks, in the aftermath of devastating floods.

The Asian Development Bank's ("ADB") expectation for GDP growth in FY2023 is 3.5% from approx. 6% in FY2022. Inflation rate in Pakistan is likely to decline in the coming months while interest rate scenario is expected to remain stable with expectations of downward trend next year to stimulate economy. Pak Rupee is expected to stabilize with foreign inflows and reduction in trade deficit.

The most significant recent development is that Financial Action Task Force ("FATF") on 21st October excluded Pakistan from the grey list of the global watchdog on terror financing and money laundering after four long years. It had become increasingly difficult for the country to negotiate financial aid with the IMF, the World Bank, the ADB, and the European Union. One of the structural benchmarks laid down by IMF for Pakistan stated 'Adoption of measures to strengthen the effectiveness of the AML/CFT framework to support the country's efforts to exit the FATF list of jurisdictions with serious deficiencies.'

#### **Financial Performance**

The portfolio size stood at PKR 155.03 million as on September 30, 2022 (June 30, 2022: PKR 172.36 million). During the first three months of the current financial year, overall revenues increased to PKR 10.75 million compared to PKR 7.35 million in corresponding period last year. Total expenses for the period were contained at PKR 3.51 million. Profit before tax was PKR 4.16 million compared to Rs.3.83 million and Profit after tax of 3.30 million compared to Rs.3.74 in the corresponding period last year due to tax impact.

The process for merger of First Pak Modaraba and KASB Modaraba into First Prudential Modaraba is underway and expected to materialize soon under the approved Scheme of Arrangement.

## **Governance**

There has been no change in the Board of Directors of Awwal Modaraba Management Limited during the period under review.

## **Acknowledgement**

The Board would like to acknowledge and appreciate Securities and Exchange Commission of Pakistan and Registrar Modaraba for their continuous guidance and support. We would like to avail this opportunity to thank its customers and investors for placing their trust in the Modaraba.

On behalf of the Board

Karim Hatim  
Chief Executive

Abdul Jaleel Shaikh  
Director

Date: 28<sup>th</sup> October 2022

## ڈائریکٹرز کی رپورٹ:

30 ستمبر 2022 کو ختم ہونے والی تین ماہ کی مدت کے لیے اول مضاربتہ پنشنٹ لمیٹڈ کی انتظامی کمپنی (KASB) کے ایس بی مضاربہ کے بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 30 ستمبر 2022 کو ختم ہونے والی تین ماہ کی مدت کے لیے (KASB) کے ایس بی مضاربہ کے غیر آڈٹ شدہ مالیاتی نتائج کے ساتھ ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

### معیشت:

اسٹیٹ بینک آف پاکستان نے جولائی 2022 میں آخری اعلان کے بعد سے پالیسی ریٹ میں کوئی تبدیلی نہیں کی تھی جب شرح کو بڑھا کر 15 فیصد کر دیا گیا تھا۔ مائیکرو پالیسی کے بیان میں نیٹو کی تہمت میں مختلف وجوہات کا حوالہ دیا گیا جس میں بجلی کی قیمتوں میں کمی کی وجہ سے اگست 2022 میں 27.3 فیصد سے ستمبر 2022 میں ہیڈ لائن افراط زر میں 23.2 فیصد تک گرتا شامل ہے۔ اقتصادی سرگرمیوں میں مطلوبہ اعتبارال زیادہ واضح ہو گیا ہے حالانکہ بنیادی افراط زر دیکھی اور شہری دونوں علاقوں میں اوپر کی طرف بڑھتا رہا ہے جس کی وجہ سے پالیسی سائیز شاخس ہیں۔ کرنٹ اکاؤنٹ اور تجارتی خسارہ اگست-ستمبر میں نمایاں طور پر کم ہوا، اور روپے نے حالیہ گراؤت کے بعد اپنے کچھ نقصانات کو پورا کیا ہے۔ ستمبر 2022 میں، پاکستان کا تجارتی خسارہ سالانہ 20 فیصد کم ہو کر 2.8 بلین امریکی ڈالر تک پہنچ گیا جس کی وجہ درآمدات میں شدید کمی تھی۔ موڈرن بزنس پانچ کمرشل بینکوں کی ڈپازٹ ریٹنگ میں کمی کے ساتھ پاکستان کے مقامی اور غیر ملکی قرضوں کی درجہ بندی کو B3 سے گنا کر Caa1 کر دیا۔ یہ کمی تباہ کن سیلابوں کے نتیجے میں حکومتی لیکویڈیٹی کی بڑھتی ہوئی ضروریات، بیرونی خطرے کے خطرات اور قرضوں کی پائیداری کے زیادہ خطرات کی وجہ سے ہوئی۔

ایشیائی ترقیاتی بینک ("ADB") کی مالی سال 2023 میں جی ڈی پی کی نمو کی توقع تقریباً 3.5 فیصد ہے۔ مالی سال 2022 میں 6 فیصد۔ پاکستان میں آنے والے مہینوں میں افراط زر کی شرح میں کمی کا امکان ہے جبکہ شرح سود کا مظہر نامہ مستحکم رہنے کی توقع ہے جس کی توقع ہے کہ اگلے سال معیشت کو تھکر کیا جاسکے گا۔ پاکستانی روپیہ غیر ملکی آمدورفت اور تجارتی خسارے میں کمی کے ساتھ مستحکم ہونے کی توقع ہے۔

سب سے اہم حالیہ پیش رفت یہ ہے کہ فنانشل ایکشن ٹاسک فورس ("FATF") نے 121 ممالک کو پاکستان کو چار سال کے طویل عرصے کے بعد دہشت گردی کی مالی معاونت اور منشی لافٹنگ پر عالمی وارج ڈاگ کی گروے لسٹ سے خارج کر دیا۔ ملک کے لیے آئی ایم ایف، ورلڈ بینک، اے ڈی بی اور یورپی یونین کے ساتھ مالی امداد کے لیے بات چیت کرنا مشکل ہوتا جا رہا تھا۔ پاکستان کے لیے IMF کی طرف سے وضع کردہ ڈھانچہ جاتی معیارات میں سے ایک میں کہا گیا ہے کہ AML/CFT فریم ورک کی موثریت کو مضبوط بنانے کے لیے اقدامات کو اپنانا ملک کی FATF کے دائرہ اختیار کی فہرست سے باہر نکلنے کی کوششوں کی حمایت کرنے کے لیے سنگین خامیوں کے ساتھ۔

### مالیاتی کارکردگی:

30 ستمبر 2022 تک پورٹ فولیو کا سائز 155.03 بلین تھا (30 جون 2022: 172.36 بلین)۔ رواں مالی سال کے پہلے تین مہینوں کے دوران مجموعی آمدنی گزشتہ سال کی اسی مدت میں 7.35 بلین روپے کے مقابلے میں 10.75 بلین روپے تک بڑھ گئی۔ اس مدت کے کل اخراجات 3.51 بلین تھے۔ ٹیکس سے پہلے کا منافع 3.83 بلین روپے کے مقابلے میں 4.16 بلین تھا اور ٹیکس کے اثرات کی وجہ سے گزشتہ سال کی اسی مدت میں 3.74 روپے کے مقابلے میں 3.30 بلین کا بعد از ٹیکس منافع تھا۔

فرسٹ پاک مضاربہ اور کے ایس بی مضاربہ کو فرسٹ پرنسپل مضاربہ میں ضم کرنے کا عمل جاری ہے اور توقع ہے کہ اختیارات کی منظور شدہ اسکیم کے تحت جلد ہی عملی جامہ پہنایا جائے گا۔

### گورننس:

زیر جائزہ مدت کے دوران اول مضاربہ پنشنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں کی گئی ہے۔

### اعتراف:

ورڈنگ کیونکہ پنشنٹ لمیٹڈ کی انتظامی کمپنی (KASB) کے ایس بی مضاربہ کی مسلسل رہنمائی اور تعاون کا اعتراف اور تعریف کرنا چاہتا ہے۔ ہم مضاربہ پر اعتماد کرنے کے لیے اس کے صارفین اور سرمایہ کاروں کا شکر یہ ادا کرنے کے لیے اس موقع سے فائدہ اٹھانا چاہتے ہیں۔

### حکم بورڈ

عبد الجلیل شیخ  
ڈائریکٹر

نریم حاتم  
چیف ایگزیکٹو

تاریخ: 28 اکتوبر 2022

**KASB MODARABA  
BALANCE SHEET  
AS AT SEPTEMBER 30, 2022**

		September 30.	
		2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- Rupees -----	
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	6	4,429,722	10,336,507
Short term investment	7	4,514,043	4,440,102
Modaraba finance	8	-	-
Musharaka finance	9	-	-
Murabaha finance	10	-	-
Current portion of long term diminishing musharaka finance	11	52,528,981	53,122,595
Receivable against sale of agricultural produce	12	-	-
Ijarah rentals receivable	13	1,050,721	367,476
Advances, prepayments and other receivables	14	18,854,310	9,988,668
		<b>81,377,777</b>	<b>78,255,348</b>
<b>Non-current assets</b>			
Long-term diminishing musharaka finance	11	102,501,485	119,236,835
Ijarah assets	15	68,713,056	35,797,940
Fixed assets - owned	16	-	-
		<b>171,214,541</b>	<b>155,034,775</b>
<b>TOTAL ASSETS</b>		<b>252,592,318</b>	<b>233,290,123</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Redeemable capital - participatory and unsecured	17	1,315,000	1,315,000
Short term finance	18	50,000,000	50,000,000
Ijarah deposit		3,579,900	3,579,900
Creditors, accrued and other liabilities	19	17,814,331	12,754,063
Provision for taxation		1,918,355	1,216,308
Unclaimed profit distribution		3,493,568	3,493,568
		<b>78,121,153</b>	<b>72,358,839</b>
<b>Non-current liabilities</b>			
Long term portion of ijarah deposit		18,100,749	8,100,749
Deferred liabilities - staff gratuity		1,392,966	1,307,550
Deferred taxation	20	542,575	387,022
		<b>20,036,290</b>	<b>9,795,321</b>
<b>TOTAL LIABILITIES</b>		<b>98,157,444</b>	<b>82,154,160</b>
<b>NET ASSETS</b>		<b>154,434,875</b>	<b>151,135,963</b>
<b>REPRESENTED BY</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized certificate capital			
50,000,000 (2021 : 50,000,000) certificates of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up capital	21	480,664,800	480,664,800
Revenue reserve		(318,507,712)	(321,146,841)
Capital reserve		(7,722,214)	(8,381,996)
Certificate holder's equity		154,434,875	151,135,963
<b>TOTAL CERTIFICATE HOLDERS' EQUITY</b>		<b>154,434,875</b>	<b>151,135,963</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	23		

The annexed notes from 1 to 30 form an integral part of these special purpose financial statements

**For Awwal Modaraba Management Limited  
(Modaraba Management Company)**

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**KASB MODARABA  
PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Quarter ended September 30, 2022	Quarter ended September 30, 2021
Note	----- Rupees -----	----- Rupees -----
<b>Income from:</b>		
Deposit with Banks	659,625	2,141,211
Investment in sukuk	-	469,294
Term deposit	-	472,685
Diminishing musharaka finance	7,622,493	1,563,120
Ijarah finance	2,465,746	-
Realized gain on sale of shares	-	2,704,301
	<u>10,747,864</u>	<u>7,350,611</u>
Financial charges	(2,117,086)	(1,322,443)
Depreciation on assets under ijarah arrangements	15.1 (1,390,440)	-
	<u>(3,507,526)</u>	<u>(1,322,443)</u>
	7,240,338	6,028,168
Other income	292,982	117,156
Unrealized (loss) / gain on investment - at FVTPL	73,941	(566,993)
Reversal of provision against murabaha finance	140,000	125,000
Reversal of provision / suspension against ijarah	-	3,377,832
Administrative and operating expenses	(3,507,618)	(5,169,783)
	<u>4,239,644</u>	<u>3,911,380</u>
Management Company's remuneration	24 -	-
Sales tax on Management Company's remuneration	-	-
Sindh Worker's Welfare Fund	25 (83,133)	(76,694)
	<u>(83,133)</u>	<u>(76,694)</u>
<b>Profit before taxation</b>	<u>4,156,511</u>	<u>3,834,686</u>
Taxation	22 (857,599)	(96,238)
<b>Net Profit for the period</b>	<u><u>3,298,912</u></u>	<u><u>3,738,448</u></u>
Earning per certificate - basic and diluted	26 0.07	0.08

The annexed notes from 1 to 30 form an integral part of these special purpose financial statements

**For Awwal Modaraba Management Limited  
(Modaraba Management Company)**

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director



**KASB MODARABA**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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	Quarter ended September 30, 2022	Quarter ended September 30, 2021
	Note	----- Rupees-----
Net Profit for the period	3,298,912	3,738,448
Other comprehensive income for the period	-	-
Items that will be subsequently reclassified to profit and loss account		
Unrealized loss on remeasurement of sukuk certificates	-	(13,200)
<b>Total comprehensive income for the period</b>	<b><u>3,298,912</u></b>	<b><u>3,725,248</u></b>

The annexed notes from 1 to 30 form an integral part of these special purpose financial statements

**For Awwal Modaraba Management Limited**  
**(Modaraba Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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**Director**

**KASB MODARABA  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Quarter ended September 30, 2022	Quarter ended September 30, 2021
Note	----- Rupees-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,156,511	3,834,686
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation for the period - own asset	-	9,725
Depreciation for the period - ijarah	1,390,440	-
Unrealized gain / (loss) on investment - at FVTPL	(73,941)	566,993
Gain on sale of fixed assets	-	(47,459)
Gain on sale of investments	-	(2,704,301)
Financial charges	-	1,322,443
Provision for worker's welfare fund	83,133	-
Provision against gratuity	85,416	85,416
	5,641,557	3,067,503
<b>Decrease / (increase) in assets</b>		
Diminishing musharaka finance	17,328,964	(15,263,142)
Ijarah rentals receivable	(683,245)	-
Advances, prepayments and other receivables	(8,768,245)	(957,651)
	7,877,474	(16,220,793)
<b>Increase / (decrease) in liabilities</b>		
Creditors, accrued and other liabilities	4,977,135	(1,309,995)
Ijarah deposit	10,000,000	-
	14,977,135	(1,309,995)
Financial charges paid	-	(4,322)
Tax paid	(97,394)	(307,829)
	(97,394)	(312,151)
<b>Net cash (used in) / generated from operating activities</b>	<b>28,398,771</b>	<b>(14,775,436)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sales proceeds from disposal of fixed assets	-	141,400
Sale proceeds from investments	-	4,307,265
Purchase of ijarah assets	(34,305,556)	-
<b>Net cash generated from/ (used in) investing activities</b>	<b>(34,305,556)</b>	<b>4,448,665</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(5,906,785)</b>	<b>(10,326,771)</b>
Cash and cash equivalents at the beginning of the period	10,336,507	147,114,654
<b>Cash and cash equivalents at the end of the period</b>	<b>4,429,722</b>	<b>136,787,884</b>

The annexed notes from 1 to 30 form an integral part of these special purpose financial statements

**For Awwal Modaraba Management Limited  
(Modaraba Management Company)**

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**KASB MODARABA**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	<i>Capital reserves</i>		<i>Revenue reserve</i>		<i>Certificate holder's equity</i>
	<i>Certificate capital</i>	<i>Discount on Issuance of certificates</i>	<i>Statutory reserve</i>	<i>Accumulated losses</i>	
	----- Rupees -----				
Balance as at July 01, 2021 (Audited)	480,664,800	(98,960,400)	89,345,743	(303,005,573)	168,044,570
Net profit for the period	-	-	-	3,738,448	3,738,448
<b>Profit distribution @ Re.0.48 per certificate for the year ended June 30, 2021</b>	-	-	-	(23,071,910)	(23,071,910)
Transfer to statutory reserve	-	-	747,690	(747,690)	-
<b>Balance as at September 30, 2021 (un-audited)</b>	<b>480,664,800</b>	<b>(98,960,400)</b>	<b>90,093,433</b>	<b>(323,086,725)</b>	<b>148,711,108</b>
Balance as at July 1, 2022 (Audited)	480,664,800	(98,960,400)	90,578,404	(321,146,841)	151,135,963
Net Profit for the period	-	-	-	3,298,912	3,298,912
Transfer to statutory reserve (20%)	-	-	659,782	(659,782)	-
<b>Balance as at September 30, 2022 (Un-audited)</b>	<b>480,664,800</b>	<b>(98,960,400)</b>	<b>91,238,186</b>	<b>(318,507,712)</b>	<b>154,434,875</b>

The annexed notes from 1 to 30 form an integral part of these special purpose financial statements

**For Awwal Modaraba Management Limited**  
**(Modaraba Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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

KASB Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and was managed by KASB Invest (Private) Limited (the Management Company) - KIPL, a company incorporated in Pakistan.

The Registrar (Modarabas), with the approval of the Securities & Exchange Commission of Pakistan, vide order dated April 03, 2019 appointed Administrator for the Modaraba to take over and manage the affair of the Modaraba in place of KIPL (Management Company). As per terms of the order, all the powers and duties of the Modaraba Management Company as well as those of its Board of Directors assumed by the Administrator. The term of the Administrator, for holding the modaraba office, was initially for the period of six months which was gradually enhanced till February 03, 2020 as directed by the SECP.

The Registrar (Modarabas), with the approval of the Securities & Exchange Commission of Pakistan, vide order dated January 31, 2020 appointed Awwal Modaraba Management Limited (AMML) to take over and manage the affair of the Modaraba. AMML has taken over the management and administrative control of KASB Modaraba effective from February 03, 2020.

The registered office of KASB Modaraba is situated at 3rd floor, Horizon Vista, Plot No. Commercial 10, Block No. 4, Scheme No. 5, Clifton, Karachi. The Modaraba is a multipurpose perpetual modaraba and is primarily engaged in ijarah financing, musharaka financing, murabaha financing, modaraba financing, diminishing musharaka and investing in sukuk bonds, mutual funds and listed securities. The Modaraba is listed on the Pakistan Stock Exchange.

- 1.1 The Board of Directors of the Modaraba Management Company in their meeting held on March 11, 2022 have approved the draft scheme of arrangement for merger of KASB Modaraba with and into First Prudential Modaraba subject to completion of necessary Corporate/ Regulatory formalities, approvals from the Stakeholders/ Regulators and the sanction of scheme by the Honorable High Court along with fulfilment of all legal formalities.

After obtaining NOC from SECP, Petition for merger has been filed in the High Court of Sindh. The Honorable Court vide order dated July 05, 2022 directed to hold meeting of the certificate holders for approval of the merger scheme and submit the report thereon. Accordingly, the meeting of the certificate holders convened on August 12, 2022, wherein the certificate holders have extended the desired approval. The compliance report on the proceeding of the said meeting has been submitted with the Honorable High Court.

**2. STATEMENT OF COMPLIANCE**

- 2.1 These condensed interim financial statements have been prepared in accordance with the requirements of the 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 and Exchange Commission of Pakistan (SECP). In case where requirements differ, the requirements of 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, 2022.
- 2.3 These comparative condensed balance sheet, presented in this condensed interim financial statements, as at June 30, 2022 has been extracted from the annual audited financial statements of the Modaraba for the year ended June 30, 2022 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 period ended September 30, 2021 have been extracted from the condensed interim financial statements for the period ended September 30, 2021.

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in preparation of annual statements of the Modaraba for the year ended June 30, 2022.

**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, 2022.

**5. BASIS OF PREPARATION**

These condensed interim financial statements have been prepared under the historical cost convention, except as stated otherwise in these financial statements.

KASB MODARABA  
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
 FOR THE PERIOD ENDED SEPTEMBER 30, 2022

		<b>September 30, 2022 Un-audited</b>	June 30, 2022 Audited
<b>6. CASH AND BANK BALANCES</b>	Note	----- Rupees -----	
<b>Cash at bank in :</b>			
Current accounts		3,593,479	3,593,479
Saving accounts	6.1	835,906	6,743,028
		4,429,385	10,336,507
Cash in hand		337	-
		<u>4,429,722</u>	<u>10,336,507</u>

6.1 Effective profit rates on these accounts range between 3.75% and 12% (June 30, 2022: 3.74% and 12%) per annum.

		<b>September 30, 2022 Un-audited</b>	June 30, 2022 Audited
<b>7. SHORT TERM INVESTMENT</b>	Note	----- Rupees -----	
Fair value through profit or loss (FVTPL) - quoted securities	7.1	4,514,043	4,440,102
		<u>4,514,043</u>	<u>4,440,102</u>

7.1 Fair value through profit or loss (FVTPL) - quoted securities

Number of fully paid ordinary shares of Rs.10 each.				<b>September 30, 2022 Un-audited</b>	June 30, 2022 Audited
September 30, 2022 Un-audited	June 30, 2022 Audited			----- Rupees -----	
16,468	16,468	Automobile Parts & Accessories Thal Limited		4,514,043	4,440,102
<u>16,468</u>	<u>16,468</u>			<u>4,514,043</u>	<u>4,440,102</u>

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

		<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
		----- Rupees -----	----- Rupees -----
<b>8. MODARABA FINANCE</b>	<b>Note</b>		
Modaraba Finance		37,791,201	37,791,201
Less: provision for non-performing Modaraba arrangements	8.1	(37,791,201)	(37,791,201)
		<u>-</u>	<u>-</u>

8.1 The Modaraba had provided funds under modaraba arrangements on profit and loss sharing basis to various entities outstanding since long. Based on the guidelines of the Modaraba Regulations 2021, receivables against these finances have been fully provided.

		<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
		----- Rupees -----	----- Rupees -----
<b>9. MUSHARAKA FINANCE</b>	<b>Note</b>		
Musharaka finance		14,702,297	14,702,297
Less: provision for non-performing musharaka arrangement	9.1	(14,702,297)	(14,702,297)
		<u>-</u>	<u>-</u>

9.1 This represents waiver given to a client Z.H. Piprani & Co. under settlement agreement dated December 24, 2016.

		<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
		----- Rupees -----	----- Rupees -----
<b>10. MURABAHA FINANCE</b>	<b>Note</b>		
Murabaha finance		97,053,365	97,784,311
Less: provision for non-performing murabaha arrangements	10.1	(97,053,365)	(97,784,311)
		<u>-</u>	<u>-</u>
<b>10.1 Movement of provision</b>			
Opening balance		97,193,365	97,784,311
Reversal of provision during the year		(140,000)	(590,946)
Write-off of during the year		-	-
Closing balance		<u>97,053,365</u>	<u>97,193,365</u>

The Modaraba had provided funds under morabaha arrangements on profit and loss sharing basis to various entities outstanding since long. Based on the guidelines of the Modaraba Regulations 2021, receivables against these finances have been fully provided.

		<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
		----- Rupees -----	----- Rupees -----
<b>11. DIMINISHING MUSHARKA FINANCE</b>			
Diminishing musharaka finance - considered good	11.1	201,236,920	222,409,691
Diminishing musharaka finance - doubtful		666,134	666,134
Unearned Income		(46,206,454)	(50,050,261)
		<u>155,696,600</u>	<u>173,025,564</u>
Less: provision for non-performing diminishing musharaka		(666,134)	(666,134)
		<u>155,030,466</u>	<u>172,359,430</u>
Diminishing musharaka due after one year		(102,501,485)	(119,236,835)
Current portion of diminishing musharaka		<u>52,528,981</u>	<u>53,122,595</u>

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

11.1 The profit rates on these diminishing musharaka arrangements range between 11.66% and 19.00% (June 2022: 11.66% and 19.00%). All diminishing musharaka arrangements are secured against hypothecation of assets, personal guarantees and promissory notes.

**12. RECEIVABLE AGAINST SALE OF AGRICULTURE**

During financial year 2016 KASB Modaraba (KASBM) & First Prudential Modaraba (FPrM) entered into a joint project for crushing of banola seed and sale of oil cake (Khal) in the market. M/s Pakistan Phutti International Limited (PPIL) was engaged as seller & service provider responsible for sale of agriculture produce. Subsequently, natural cyclical shortage in productivity of cotton crop affected the availability of the banola seed and therefore the project was prudently discontinued by the Management Company to safeguard the interest of the Modaraba. As per settlement agreement dated April 27, 2016, with PPIL advance for purchase of banola seed was converted into ijarah finance (secured) leaving a balance of Rs. 18.20 million receivable against sale of agriculture produce. Receivable amount is secured against Registered Mortgage on Property of service provider. After continuous default of payment the Management Company of Modaraba has filed recovery suits in the Banking Courts which is pending adjudication. The Management Company and the legal counsel are optimistic on favourable outcome of the case. The details of receivables are as under:

Description	KASBM	FPRM	Total
Initial Investment	51,000,000	81,000,000	132,000,000
Add: Gain on sale of Agriculture Produce	1,060,000	1,590,000	2,650,000
Less: Receipt against sale of agriculture produce	(14,353,590)	(14,473,432)	(28,827,022)
Less: converted to Ijarah Financing	(19,311,320)	(40,000,000)	(59,311,320)
Less: Consultancy Charges	(194,950)	(305,050)	(500,000)
	<b>18,200,140</b>	<b>27,811,518</b>	<b>46,011,658</b>
Provision for doubtful receivable against sale of agriculture produce	(18,200,140)	(27,811,518)	(46,011,658)
	-	-	-
		<b>September 30,</b>	<b>June 30,</b>
		<b>2022</b>	<b>2022</b>
		<b>Un-audited</b>	<b>Audited</b>
		----- Rupees -----	

**13. IJARAH RENTALS RECEIVABLE**

Ijarah rental receivable	24,940,885	24,257,640
Less: provision for doubtful receivable	<b>(23,890,164)</b>	<b>(23,890,164)</b>
	<b>1,050,721</b>	<b>367,476</b>

**14. ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**

Advances to other employees - unsecured	387,365	433,385
Advances for purchase of assets- considered good	6,999,000	-
Prepayments	224,650	365,240
Short term security deposits	223,300	223,300
Advance tax	5,110,640	5,013,246
Accrued profit on bank deposit	530,170	240,526
Receivable from associated entities-considered good	5,093,482	3,390,973
Others	285,702	321,997
	<b>18,854,310</b>	<b>9,988,668</b>



**KASB MODARABA**  
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	<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
	----- Rupees -----	
<b>15. IJARAH ASSETS</b>		
Plant and machinery	37,885,456	3,579,900
Vehicles	30,827,600	32,218,040
	15.1 <u>68,713,056</u>	<u>35,797,940</u>

**15.1 Assets held under Ijarah arrangement**

<b>Description</b>	<b>Vehicle</b>	<b>Plant and machinery</b>	<b>Total</b>
	----- Rupees -----		
<b>For the period ended Sep 30, 2022</b>			
<i>Net carrying value basis</i>			
Opening - NBV *	32,218,040	3,579,900 *	35,797,940
Addition / deletion	-	35,000,000	35,000,000
Depreciation charge	(1,390,440)	(694,444)	(2,084,884)
<b>Closing - NBV</b>	<u>30,827,600</u>	<u>37,885,456</u>	<u>68,713,056</u>
<i>Gross carrying value basis</i>			
Cost	32,218,040	68,848,819	101,066,859
Accumulated depreciation and impairment	(1,390,440)	(30,963,363)	(32,353,803)
<b>Closing - NBV</b>	<u>30,827,600</u>	<u>37,885,456</u>	<u>68,713,056</u>
<b>Year ended June 30, 2021</b>			
<i>Net carrying value basis</i>			
Opening - NBV	-	3,579,900	3,579,900
Addition / deletion	34,693,000		34,693,000
Depreciation charge	(2,474,960)	-	(2,474,960)
<b>Closing - NBV</b>	<u>32,218,040</u>	<u>3,579,900</u>	<u>35,797,940</u>
<i>Gross carrying value basis</i>			
Cost	34,693,000	33,848,819	68,541,819
Accumulated depreciation and impairment	(2,474,960)	(30,268,919)	(32,743,879)
<b>Closing NBV</b>	<u>32,218,040</u>	<u>3,579,900 *</u>	<u>35,797,940</u>
<b>Depreciation rate % per annum</b>	<u>20 to 66</u>	<u>14 to 33</u>	

\* This amount is the residual value of the asset hence remained undepreciated.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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	September 30, 2022		June 30, 2022		Depreciation rate per annum
	Un-audited		Audited		
	----- Rupees -----				
<b>16. FIXED ASSETS - OWNED</b>					
<b>Tangible assets</b>					
<b>16.1 Assets held under owned use</b>					
September 30, 2022	16.1				
	Cost		Accumulated Depreciation		Book value
	As at July 01, 2022	As at September 30, 2022	As at July 01, 2022	As at September 30, 2022	As at September 30, 2022
	Deletions	Deletions	Disposal	Disposal	Depreciation rate per annum
	----- Rupees -----				
Furniture and fixtures	329,101	329,101	-	329,101	10
Office equipment	399,052	399,052	-	399,052	20
Electrical equipment	2,443,350	2,443,350	-	2,443,350	20
Motor vehicles	24,450	24,450	-	24,450	20
Computers & accessories	2,124,353	2,124,353	-	2,124,353	33
	<b>5,320,306</b>	<b>5,320,306</b>	<b>-</b>	<b>5,320,306</b>	
June 30, 2022	----- Rupees -----				
	As at July 01, 2021	As at June 30, 2022	As at July 01, 2021	As at June 30, 2022	As at June 30, 2022
	Deletions	Deletions	Disposal	Disposal	Depreciation rate per annum
	----- Rupees -----				
Furniture and fixtures	715,000	329,101	691,987	329,101	10
Office equipment	551,202	399,052	520,324	399,052	20
Electrical equipment	3,908,313	2,443,350	3,866,913	2,443,350	20
Motor vehicles	116,680	24,450	116,680	24,450	20
Computers & accessories	3,214,096	2,124,353	3,205,721	2,124,353	33
	<b>8,505,291</b>	<b>5,320,306</b>	<b>8,401,625</b>	<b>5,320,306</b>	

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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	<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
Note	----- Rupees -----	

**17 REDEEMABLE CAPITAL - PARTICIPATORY AND UNSECURED**

Certificate of musharaka	<u>1,315,000</u>	<u>1,315,000</u>
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17.1 This represents matured and unclaimed amount against certificate of musharaka.

**18 SHORT TERM FINANCE**

18.1	<u>50,000,000</u>	<u>50,000,000</u>
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18.1 The Modaraba has availed finance facility of Rs. 50 million under Wakala Agreement dated December 30, 2021 from Pak Brunei Investment Company Ltd (PBIC). As per terms of the agreement, PBIC acts as Muwakkil (the principal) and Modaraba is the Wakil (the agent) to execute the Shariah Compliant transactions through and as a part of the Wakil's pool of assets for deployment of funds under the extended facility.

The facility shall be matured on December 31, 2022 and may thereafter be extended by a further period or periods of one year each if approved by both parties. Return to the Muwakkil on investment is expected at 3 Month KIBOR+2% per annum.

The facility is secured by way of First Hypothecation charge on all present and future assets of the Modaraba equivalent to PKR. 66,666,667/- with 25% margin.

	<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
Note	----- Rupees -----	

**19. CREDITORS, ACCRUED AND OTHER LIABILITIES**

Management Company's remuneration	19.1.	1,257,265	1,257,265
SWWF Payable	25	1,741,762	1,658,629
Sundry creditors		5,632,673	5,632,673
Receipts for premature termination		5,124,683	-
Payable to associated entities		1,238,271	980,810
Accrued expenses		1,194,734	1,159,674
Charity payable	19.2.	232,763	232,474
Insurance premium received in advance		923,167	923,167
Other liabilities		469,013	909,371
		<u>17,814,331</u>	<u>12,754,063</u>

19.1 The Sindh Revenue Board (SRB) has imposed Sindh Sales Tax (SST) on the Modaraba Management Company's remuneration with effect from November 01, 2011. However, certain modaraba management companies have approached the Honourable Sindh High Court (the Court) and Appellate Tribunal of SRB, challenging the levy of SST on management company's remuneration. The Modaraba Management Company has not received any demand notice from SRB for payment of SST on Management Company's remuneration and accordingly, based on legal advisor's opinion obtained by one of the Modaraba under common management can neither file any petition challenging the levy of SST on Management Company's remuneration nor can join the proceedings of pending petition in the Court. As a matter of abundant caution the management is accruing SST on Management Company's remuneration and will discharge the liability on direction of the Court based on outcome of the petition filed by other modaraba management companies.

	<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
Note	----- Rupees -----	

**19.2 Movement of charity payable**

Opening balance	232,474	1,483,194
Add: Amount credited during the year	<u>289</u>	<u>262,474</u>
	232,763	1,745,668
Less: Amount paid during the year	<u>-</u>	<u>(1,513,194)</u>
	<u>232,763</u>	<u>232,474</u>

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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**September**      **June 30,**  
**30, 2022**          **2022**  
**Un-audited**      **Audited**  
----- Rupees -----

**20 DEFERRED TAXATION**

The defferred tax is attributable to the following items:

**Deductible temporary differences**

Provision for gratuity	24,771	(96,420)
Investments	11,091	(378,336)
Tax Loss for the year	-	(1,261,933)
Alternative Corporate Tax	-	(848,797)

**Chargeable temporary differences**

Property, Plant and Equipment	506,713	2,972,507
	<u>542,575</u>	<u>387,022</u>

**21. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

<b>September</b>	<b>June 30,</b>		<b>September</b>	<b>June 30,</b>
<b>30, 2022</b>	<b>2022</b>		<b>30, 2022</b>	<b>2022</b>
<b>Un-audited</b>	<b>Audited</b>		<b>Un-audited</b>	<b>Audited</b>
----- Certificates -----			----- Rupees -----	
24,958,400	24,958,400	Modaraba Certificates of Rs. 10/- each fully paid in cash	249,584,000	249,584,000
3,316,000	3,316,000	Modaraba Certificates of Rs. 10/- each issued as fully paid bonus certificates	33,160,000	33,160,000
19,792,080	19,792,080	Modaraba Certificates of Rs. 10/- each issued at 50% discount as right certificates	197,920,800	197,920,800
<u>48,066,480</u>	<u>48,066,480</u>		<u>480,664,800</u>	<u>480,664,800</u>

21.1 As at September 30, 2022, Awwal Modaraba Management Limited, the management company, held 4,806,648 (June 30, 2022: 4,806,648) certificates of Rs.10/- each.

**22. PROVISION FOR TAXATION**

	<b>September</b>	<b>September</b>
	<b>30, 2022</b>	<b>30, 2021</b>
	<b>Un-audited</b>	<b>Un-audited</b>
	----- Rupees -----	
Current	702,046	96,238
Deferred	155,553	-
	<u>857,599</u>	<u>96,238</u>

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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**23. CONTINGENCIES AND COMMITMENTS**

Some of the modarabas in the sector have received letter from Assistant Commissioner, Sindh Revenue Board (SRB), whereby it came to their notice that these Modarabas are engaged in providing / rendering taxable services which falls under the Second Schedule of Sindh Sales Tax on Services Act, 2011 (the Act), and the sales tax on such services, i.e. on lease rentals / lease financing transactions remains outstanding. The modarabas who have received the said letter, collectively decided that under the supervision of NBFJ & Modaraba Association of Pakistan, a petition against the same be filed through a common legal counsel in the Honorable High Court of Sindh (HCS) challenging levy of Services Sales Tax on lease rental/ lease financing transactions including the vires of various headings of the Second Schedule of the Act. Being similar in nature of business it was expected that the same type of letter shall be received by KASB Modaraba. Therefore, management has taken cautious approach and become a party in collective effort undertaken by the other modarabas.

**24. MANAGEMENT COMPANY'S REMUNERATION**

In accordance with the Modaraba Companies and Modaraba Rules, 1981, Management Company's remuneration at the rate of 10% of annual profits is payable to the Management Company.

**25. SINDH WORKER'S WELFARE FUND**

The Sindh Assembly passed a bill on May 4, 2015 and notified Sindh Worker's Welfare Act 2014 on June 4, 2015. As per the said Act the applicability of Sindh Worker's Welfare Fund is effective from the financial year of the entities ended on or after December 31, 2013. Accordingly provision has been made at the rate of 2% (June 30, 2021 : 2%) of profit before taxation or taxable income, whichever is higher, effective after June 30, 2014.

<b>September 30, 2022 Un-audited</b>	<b>September 30, 2021 Un-audited</b>
----- Rupees -----	

**26. EARNING / (LOSS) PER CERTIFICATE - BASIC AND DILUTED**

Profit for the year	<u>3,298,912</u>	<u>3,738,448</u>
	----- Number -----	
Weighted average number of certificates	<u>48,066,480</u>	<u>48,066,480</u>
	----- Rupees -----	
Earnings per certificate -basic and diluted	<u>0.07</u>	<u>0.08</u>

The Modaraba does not have any dilutive potential certificates in issue as at the year end.

**KASB MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

**27. TRANSACTIONS AND BALANCE WITH RELATED PARTIES**

The related parties of the Modaraba comprise of the Management Company and its Holding Company, Modarabas under common management (Awwal Modaraba, First Prudential Modaraba and First Pak Modaraba) other associated companies, staff retirement funds, Directors and Key Management Personnel. Transactions with related parties are carried out at agreed rates.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Modaraba considers its Chief Financial Officer and Business Heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement. Details of certificate holding of Holding Company, Management Company, Directors, Key Management Personnel and their family members are disclosed in pattern of certificate holding included in the annual report of the Modaraba.

Transactions and balances with related parties during the year other than those disclosed elsewhere in the financial statements are given below.

<b>Relationship with Modaraba</b>	<b>Nature of Transactions</b>	<b>September 30, 2022 Un-audited</b>	<b>June 30, 2022 Audited</b>
		----- Rupees -----	
<b>Balances with related parties</b>			
<b>Company</b>			
<b>Management Company</b>			
Pak Brunei Investment Company Limited	Short term finance	(50,000,000)	(50,000,000)
	Accrued shared service cost	(224,766)	(242,936)
<b>Modaraba Management Company</b>			
Awwal Modaraba Management Limited	Management Company's remuneration	(1,257,265)	(1,257,265)
<b>Modarabas under common management</b>			
Awwal Modaraba	Receivable / Payable against sharing of common expenses	141,569	(16,415)
First Prudential Modaraba	Receivable against sharing of common expenses	1,387,241	972,680
First Pak Modaraba	Receivable against sharing of common expenses	207,279	138,186
<b>Expense / (income) for the period</b>	<b>Nature of Transactions</b>	<b>September 30, 2022 Un-audited</b>	<b>September 30, 2021 Un-audited</b>
		----- Rupees -----	
<b>Holding Company of the Management Company</b>			
Pak Brunei Investment Company Limited	Return on modaraba term deposit	-	(472,685)
	Return on musharaka finance	-	(1,318,121)
	Return on short term finance	2,114,741	-
	Shared services cost	728,808	728,808
<b>Modarabas under common management</b>			
Awwal Modaraba	Staff cost of deputed employee	-	1,363,478
	Reimbursement of expenses	(125,154)	(243,049)
First Prudential Modaraba	Reimbursement of expenses	(414,561)	(276,561)
First Pak Modaraba	Reimbursement of expenses	(69,093)	(69,093)

**KASB MODARABA  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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**Payments / (Receipts) made during the period**

**Holding Company of the  
Management Company**

Pak Brunei Investment  
Company Limited

Return on short term finance	2,114,741	-
Modaraba term deposit	-	-
Return on modaraba term deposit	-	(477,938)
Shared service cost	746,978	728,808

**Modarabas under common management**

Awwal Modaraba	Staff cost of deputed employee	-	659,542
	Sharing of common expenses	-	64,095
First Prudential Modaraba	Sharing of common expenses	-	(386,792)
First Pak Modaraba	Sharing of common expenses	-	(184,286)

**28. CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and better presentation. However, no significant rearrangements or reclassification have been made in these financial statements during the year.

**29. GENERAL**

Figures in these financial statements have been rounded off to the nearest Rupee.

**30. DATE OF AUTHORISATION**

These financial statements have been authorized for issue on \_\_\_\_\_ by the Board of Directors of Awwal Modaraba Management Limited.

**For Awwal Modaraba Management Limited  
(Modaraba Management Company)**

<b>Chief Financial Officer</b>	<b>Chief Executive Officer</b>	<b>Director</b>	<b>Director</b>
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# **KASB MODARABA**

**KASB MODARABA**  
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**QUARTERLY  
REPORT  
SEPTEMBER 30,  
2022**