



Popular Islamic Modaraba

An Islamic Financial Institution

PIM/OPS/CS/PSX/138/2021

September 8, 2021

Mr. Wasim A. Sattar,
Senior Manager- Listing Department,
Pakistan Stock Exchange (Guarantee) Limited,
Pakistan Stock Exchange Building,
I.I.Chundrigar Road,
Karachi.



Dear Sir,

Material Information - Issuance of 4,000,000 Modaraba Certificates

With reference to your letter # PSX/C-921-1727 dated September 03, 2021 on the above subject. Please find enclosed herewith the following documents as required in your above referred letter.

1. Certified True Copy of the Board Resolution.
2. Copy of Approval of SECP.
3. Copy of Return of Allotment filed with the Registrar Modaraba.
4. Confirmation of CDC regarding deposit 4,000,000 certificates.
5. Copy of Auditor's Certificate confirming increase in paid-up capital.
6. Cheque # 27288980 dated September 06, 2021 amounting to Rs. 85,600/- (Rupees Eighty Five Thousand Six Hundred only) drawn on Albaraka Bank Pakistan Limited, Trade Center Branch, being Additional Listing Fee at 0.2% of the increase in paid up capital under PSX Regulation No. 5.19.1 and payment of Supervisory Fee of SECP at 10% of the Additional Listing Fee.
7. Copy of CPR / Tax Challan pertaining to the Tax deducted on the fee mentioned in above Serial # 6.

You are, therefore, requested to kindly update the record of PSX accordingly.

Thanking you,

Yours sincerely,

(Kamran Hussain Mughal)
Company Secretary

Encl: as above



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EXTRACT OF RESOLUTION PASSED BY CIRCULATION OF THE BOARD OF DIRECTORS OF POPULAR ISLAMIC MODARABA MANAGEMENT COMPANY (PVT.) LIMITE MANAGER OF POPULAR ISLAMIC MODARABA ON JUNE 30, 2021:

We, hereby certify that the following Resolution by circulation of the Board of Directors of the Popular Islamic Modaraba Management Company (Private) Limited the Manager of Popular Islamic Modaraba was passed by the Circulation dated June 30, 2021:-

IT IS RESOLVED THAT:

1. In compliance of SECP's letter # SC/PRDD/M/Popular/MS-26/2020/71 dated March 09, 2021, the Management Company will inject Rs. 100.00 in Modaraba out of which Rs. 28 million already injected as Loan. The Management has provided loan of Rs. 12.00 million and thereafter, total loan of Rs.40.00 million will be converted into equity though Other than Right Certificates.
2. The Certificates of Rs.40.00 million i.e 4 million Certificates at par value of Rs.10/- per Certificate will be issued to the Management Company against the Loan of Rs. 40.00 million.
3. Mr. Kamran Hussain Mughal holding CNIC No. 42301-1648835-9 Director and Company Secretary be authorized to take all necessary actions including obtaining approval of Registrar Modaraba – SECP and fulfill all the regulatory formalities in this matter.

Certified True Copy

(KAMRAN HUSSAIN MUGHAL)
DIRECTOR & COMPANY SECRETARY



Securities and Exchange Commission of Pakistan
Specialized Companies Division
Policy, Regulation and Development Department
(Modaraba Wing)

No: SC/M/PRDD/Popular/2021-MS-26/39

August 4, 2021

The Chief Executive,
Popular Islamic Modaraba Management Co. (Pvt.) Limited,
Managers of Popular Islamic Modaraba,
15th Floor, Chapal Plaza,
Hasrat Mohani Road,
Off. I.I. Chundrigar Road,
Karachi.

SUBJECT: CONVERSION OF LOAN INTO EQUITY THROUGH ISSUANCE OF OTHER THAN RIGHT CERTIFICATES.

Dear Sir,

This is with reference to your application dated July 27, 2021 for issuance of modaraba certificates (other than Right Issue) of Popular Islamic Modaraba in favor of Popular Islamic Modaraba Management company (Private) Limited at a Par Value of Rs. 10/- each.

2. In terms of the section 83(1)(b), read with section 505 (1)(c) of the Companies Act, 2017 and Regulation No. 5 of Companies (Further Issue of shares) Regulations, 2020, the competent authority has accorded approval for issuance of 4,000,000 Modaraba certificates (other than Right Issue) at par value of Rs. 10/- per certificate, valuing Rs. 40 million to Popular Islamic Modaraba Management company (Private) Limited against a portion of financing/loan extended by it to the Modaraba.
3. The Modaraba certificates shall rank *pari passu* with the existing certificates of First Treet Manufacturing Modaraba in all matters including bonus, right and cash dividend, as may be declared subsequent to the date of issue of new modaraba certificates.
4. The Modaraba Certificates shall be issued within thirty days of issue of this letter and Return of Allotment under rule 26 of the Modaraba Rules, 1981 shall be filed with the Registrar Modaraba within one month of the allotment. The modaraba certificates shall also be deposited in a blocked account with CDC as per requirements of circular No. 10 of 2006 dated June 16, 2006, under intimation to this office.

Best Regards,

Malik Asif Karim Awan
Assistant Director

A/A0322/2021
August 11, 2021

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants
4th Floor, Central Hotel Building,
Civil Lines, Merewether Road,
Karachi - Pakistan

The Company Secretary
Popular Islamic Modaraba
15th Floor, Chapal Plaza
Karachi.

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Dear Sir

**PRACTICING MEMBER'S CERTIFICATE ON "FURTHER ISSUE OF CERTIFICATES OTHER THAN RIGHTS"
AS REQUIRED UNDER "CENTRAL DEPOSITORY SYSTEM STANDARD OPERATING PROCEDURES"**

We have been requested by the management of Popular Islamic Modaraba (the Modaraba) to certify number of capital certificates to be issued on conversion of sponsor's loan into modaraba certificates (further issue) as required under "Central Depository System (CDS) Standard Operating Procedures (the Procedures)".

Scope of Certificate

As per Annexure-B of the Procedures, statutory auditor's certificate is required for onward submission to CDS on further issue. This certificate is issued to certify the calculation of further issue of Modaraba certificates as required by the Procedures.

Management Responsibility

The management has the responsibility to comply with the Procedures and regulatory formalities for accurate further issue. The management has the responsibility to obtain regulatory approvals from relevant authorities and ensure compliance with relevant legal requirements.

Auditor's Responsibility

Our responsibility is to certify the position of paid-up Certificate capital, both before and after the further issue. Our verification was limited to the procedures performed on the following documents / information as provided by the management:

1. Certified true copy of SECP's approval letter.
2. Annual audited financial statements for the year ended June 30, 2020; and
3. Obtaining Management Representation regarding further issue of certificates other than rights and Regulatory Compliance.



Certificate

Based on the procedures performed in the preceding paragraph, we, the statutory auditors of the Modaraba, hereby certify that:

- The Modaraba may issue 4,000,000 capital certificates of Rs. 10 each to Popular Islamic Modaraba Management Company (Private) Limited (the Management Company) as further issue other than rights against conversion of short-term loan of Rs. 40,000,000 obtained from the Management Company.
- All requirements with regards to allotment of securities in the name of CDC have been fulfilled by the Modaraba; and
- The Modaraba has complied with the relevant regulatory requirements pursuant to the further issue other than rights.

Accordingly, the pre and post factual position of paid-up certificate capital due to further issue other than rights would be as follows:

Capital Certificates	Capital Certificate of Rs. 10 each
Number of paid-up capital certificates (before further issue)	10,000,000
Add: Number of certificates to be further issued	4,000,000
Paid-up capital (after further issue)	14,000,000

Restriction on Use and Distribution

This certificate is issued in relation to "Central Depository System Standard Operating Procedures" and is not to be used or distributed for any other purpose or to be presented in any court of law. This certificate is restricted to the facts stated herein.

Yours truly


Baker Tilly Mahmood Idrees Qamar
Chartered Accountants

Karachi