

QUARTERLY REPORT
September 30, 2019



Trust Modaraba

Managed By:

Al-Zāmin Modaraba Management (PVT) Ltd.



Contents

3	CORPORATE INFORMATION
4	DIRECTORS' REPORT
5	DIRECTORS' REPORT (URDU)
6	CONDENSED INTERIM BALANCE SHEET
7	CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
8	CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
9	CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
10	CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
11	SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED)

CORPORATE INFORMATION

Modaraba Company

Al-Zamin Modaraba Management (Private) Limited

Board of Directors

Mr. Shaikh Arshad Farooq	Chairman
Mr. Basheer Ahmed Chowdry	Chief Executive
Mr. Etrat Hussain Rizvi	Director
Mr. Mohammad Imranul Haque	Director
Mr. Sohail Ansar	Director
Dr. Namoos Baquar	Director
Mr. Syed shahnawaz A. Rizvi	Director

Management

Mr. Basheer Ahmed Chowdry	Chief Executive
Ms. Hamida Aqeel	Chief Operating Officer/Company Secretary
Mr. Ijaz Ahmed Khan	Chief Financial Officer/Regional Head

Audit Committee

Mr. Syed shahnawaz A. Rizvi	Chairman
Mr. Shaikh Arshad Farooq	Member
Mr. Sohail Ansar	Member
Mr. Etrat Hussain Rizvi	Member
Ms. Hamida Aqeel	Secretary Audit committee

Human Resource Committee

Mr. Shaikh Arshad Farooq	Chairman
Mr. Syed shahnawaz A. Rizvi	Member
Mr. Basheer Ahmed Chowdry	Member
Dr. Namoos Baquar	Member

Internal Auditors

Grant Thornton Anjum Rahman.
Chartered Accountants

Auditors of the Modaraba

Horwath Hussain Chaudhury & Co.
Chartered Accountant

Bankers

Meezan Bank Limited
The Bank of Punjab

Legal Advisors

Salim & Baig, Advocate
Shakeel Ahmed Awan
S&B Durrani Law Associates
Sameera Usto & Associates

Registered Office/Principal Place of Business

104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi-75600
Telephone: 021-35876651, 35876652
Fax : 021-35870408 Web: trustmodaraba.com Email: info@trustmodaraba.com

Regional Office

301-320, 3rd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore
Telephone: 042-35941957-8 Fax: 042 35866513

Gujranwala Office

51-A, Adjacent Standerd Chartered Bank, Trust Plaza G.T Road, Gujranwala
Telephone: 055-3730308, 3730300 Fax: 055-3731108

Registrars

Hameed Majeed Associates (Private) Limited
1st Floor, H.M. House, 7-Bank Square, Lahore Telephone: 042- 37235081-2 Fax: 042-37358817



DIRECTORS' REPORT

The Directors of Al-Zamin Modaraba Management (Private) Limited present the financial statements of Trust Modaraba for the quarter ended 30th September, 2019.

The economic situation in Pakistan continues to remain depressed though some positive indicators have been achieved due to the recent remedial measures. In the first quarter of FY 20, current account deficit has been clocked at US\$ 1.548 billion against US \$ 4.287 billion in corresponding quarter in FY 19, showing reduction of 64% on quarterly basis with reduced imports. Large scale manufacturing has had negative growth during last one year, agriculture growth was less than one percent. Foreign direct investment (FDI) has plummeted by more than fifty percent. There is the issue of the ever-increasing debts which consumes up to 30% of the budget every year. Pakistan entered its 22nd arrangement with the IMF in July owing to its severe balance of payment difficulties. The combination of heavier tax burden across the economy, weaker government spending on public servicing and tighter monetary policy will hamper investment and economic growth in 2019. Relation with India remain strained and the military will continue to be a prominent player in Pakistan's politics in the medium term. Pakistan Economic growth in financial year 2020 is likely to further decelerate to 2.7 - 3%. The country needs to come out of the grey list of FATF regime by February, 2020.

During the quarter under review, your Modaraba has recorded total income at Rs. 8.06 million as compared to Rs. 8.44 million of the previous comparable period. During the quarter your Modaraba has earned a profit of Rs. 0.443 million before management fee as compared to Rs. 1.680 million of the previous corresponding quarter which included a onetime reversal of Rs. 1.4 million. Balance sheet footing of your Modaraba stood at Rs. 365.344 million. Certificate holder's equity stands at Rs. 303.513 million.

EARNING PER CERTIFICATE

Earning per certificate of the Modaraba is Rs. 0.01 per certificate for the quarter ended 30th September, 2019 as compared to Rs. 0.05 per certificate in the corresponding quarter last year.

Your Management is grateful for the valuable trust of the certificate holders and continues making every endeavor to maximize profits through efficiency and effectiveness in business operations.

For & on behalf of the Board of Directors

Director

**Basheer A. Chowdry
Chief Executive**

**Karachi
October 28, 2019**

ڈائریکٹرز رپورٹ

الغنا من مضاربہ بینجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز (بورڈ کے ناظمین)، ٹرسٹ مضاربہ کی جانب سے 30 ستمبر 2017 کو اختتام پزیر سرمایہ کی فیئر محاسب شدہ مالیاتی دستاویزات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

اگرچہ معیشت کی اصلاح کے لیے کئے جانے والے اقدامات سے مثبت اشاروں کو حاصل کیا جا چکا ہے لیکن پاکستان میں معاشی صورتحال دہاکا شکار رہی۔ سال 2020 کی پہلی سرمایہ، جاری کھاتے کا شمارہ 1.548 ارب امریکی ڈالر رہا جبکہ سال 2019 کی پہلی سرمایہ میں اس کی مالیت 4.287 ارب امریکی ڈالر تھی جو سرمایہ کی بنیاد پر کم درآمدات کے ساتھ 64 فیصد کمی دکھایا ہے۔ گزشتہ ایک سال میں بڑے پیمانے کی صنعتی اداروں کی منفی نمو رہی تھی، زراعت کی نمو ایک فیصد سے کم تھی۔ براہ راست غیر ملکی سرمایہ کاری (FDI) پچاس فیصد سے زیادہ تیزی سے گر چکی ہے۔ یہاں ایک مسئلہ ہمیشہ سے بڑھتا ہوا قرضہ ہے جو ہر سال بچت 30 فیصد استعمال کرتا ہے۔

اوانیٹیوں کے توازن میں شدید مسائل کی وجہ سے پاکستان، IMF، 22 ویں انتظام میں شامل ہو چکا ہے۔ تمام معیشت پر بلند تر حصول کا پوچھ، گورنمنٹ کی عوامی خدمات سے کم تر اخراجات اور سخت تر مالیاتی پالیسی مجموعی طور پر سال 2019 میں سرمایہ کاری اور معاشی نمو میں رکاوٹ کا باعث رہی۔ ہجرات کے ساتھ تعلقات تناؤ کا شکار رہے اور درمیانی عرصے کی مدت میں پاکستان کی سیاست میں فوج کا کردار ایک نمایاں کھلاڑی کے طور پر جاری رہے گا۔ مالی سال 2020 میں پاکستان کی معاشی نمو کی رفتار میں مزید کمی کے ساتھ 2.7-3 فیصد رہے گی۔ ملک کے لیے ضروری ہے کہ وہ فروری 2020 تک FATF کی گرسے لسٹ سے باہر آجائے۔

زیر غور سرمایہ میں، آپ کے مضاربہ نے 8.06 ملین روپے آمدنی ہوئی جو گزشتہ سال اسی مدت میں 8.44 ملین روپے تھی۔ اس سرمایہ میں 0.443 ملین روپے کا منافع قبل از بینجمنٹ فیص حاصل کیا جو گزشتہ سال اسی مدت میں 1.680 ملین روپے تھا جس میں 1.4 ملین روپے کا ایک مرتبہ کی واپسی (reversal) شامل تھا۔ آپ کے مضاربہ کی ہینلس شیٹ 365.344 ملین روپے رہی۔ سرٹیفیکیٹ کنندگان کا کلیتی سرمایہ 303.513 ملین روپے رہا۔


آمدنی سرٹیفیکیٹ

30 ستمبر 2019 کو ختم ہونے والی سرمایہ پر آمدنی فی سرٹیفیکیٹ 0.01 روپے فی سرٹیفیکیٹ رہی جبکہ گزشتہ سال اسی مدت کے درمیان یہ آمدنی 0.05 روپے فی سرٹیفیکیٹ تھی۔

آپ کی بینجمنٹ سرٹیفیکیٹ کنندگان کے ان قابل قدر اعتماد پر شکر گزار ہے اور منافع کو زیادہ سے زیادہ کرنے کے لیے بہتر کارکردگی اور موثر آپریشن کے ذریعے ہر کوشش جاری رکھے گی۔

برائے بورڈ آف ڈائریکٹرز کے جانب سے


ڈائریکٹر


نہی احمد دھری
چیف ایکٹنگ مینیجر

کراچی: 28 اکتوبر 2019



CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2019

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
ASSETS			
Current assets			
Cash and bank balances		2,318,879	4,057,050
Short term investments	4	8,643,838	8,445,401
Advances, deposits, prepayments and other receivables	5	30,077,476	28,343,871
Short term murabaha finances	6	42,747,603	41,022,319
Current portion of long term murabaha finances		82,925,943	79,358,837
Ijarah rental receivables		14,883,642	14,756,103
Short term musharakah finances (secured - considered good)		32,517,144	29,336,042
Current portion of long term diminishing musharakah finances		642,257	912,833
Tax refunds due from the Government		6,215,520	6,094,347
Stock in trade		1,130,042	1,130,042
Total Current Assets		222,102,344	213,456,845
Non-current assets			
Long term murabaha finances	7	16,113,552	19,764,637
Long term diminishing musharakah finances		1,318,166	1,448,984
Long term deposits		1,800,162	1,800,162
Long term investments	8	4,499,778	5,256,149
Investment property		13,702,550	13,702,550
Fixed assets	9	105,807,875	115,839,781
Total Non-Current Assets		143,242,083	157,812,263
TOTAL ASSETS		365,344,427	371,269,108
LIABILITIES			
Current liabilities			
Current portion of customers' security deposits		10,318,700	12,698,000
Current portion of deferred income on murabaha		6,602,828	6,854,911
Unclaimed dividends		12,911,992	12,930,127
Creditors, accrued and other liabilities	10	2,643,830	2,618,976
Loan from Modaraba Management Company - interest free unsecured		4,000,000	5,000,000
Total current liabilities		36,477,350	40,102,014
Non-current liabilities			
Deferred income on murabaha		2,084,394	2,685,512
Customers' security deposits		23,269,115	24,610,865
Total Non-Current Liabilities		25,353,509	27,296,377
Total Liabilities		61,830,859	67,398,391
NET ASSETS		303,513,568	303,870,717
REPRESENTED BY			
CAPITAL AND RESERVES			
Certificate capital		298,000,000	298,000,000
Reserves		5,513,568	5,870,717
Contingencies and commitments		-	-
		303,513,568	303,870,717

The annexed notes from 1 to 18 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Note	(Un-audited)	
		September 30, 2019	September 30, 2018
		-----Rupees-----	
Income from ijarah	11	2,437,370	3,585,905
Profit on murabaha finances		2,875,136	2,531,896
Profit on musharakah finances		2,072,129	1,571,061
Income from investments - net		88,079	233,509
Trading income		-	167,830
Other income		587,693	351,526
		<u>8,060,407</u>	<u>8,441,727</u>
(Provision) / Reversal of provision against non performing finance and other receivables-net		-	285,945
Unrealized loss on revaluation of held-for-trading investment		(582,315)	(549,693)
		<u>7,478,092</u>	<u>8,177,979</u>
Operating expenses	12	(7,034,512)	(6,498,271)
		<u>443,580</u>	<u>1,679,708</u>
Modaraba company's management fee		(44,358)	(167,971)
Profit before taxation		<u>399,222</u>	<u>1,511,737</u>
Taxation		-	(76,383)
Net Profit for the Period		<u>399,222</u>	<u>1,435,354</u>
Earnings per Certificate - Basic and Diluted	13	<u>0.01</u>	<u>0.05</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	(Un-audited)	
	<u>September 30, 2019</u>	<u>September 30, 2018</u>
	-----Rupees-----	
Net Profit for the Year	399,222	1,435,354
Other comprehensive Income:		
- Net change in fair value of available-for-sale investments	(756,371)	(528,239)
Other comprehensive loss for the year	(756,371)	(528,239)
Total Comprehensive Income for the period	<u>(357,149)</u>	<u>907,115</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Note	(Un-audited)	
		September 30, 2019	September 30, 2018
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations			
Cash generated from operations	14	474,251	13,159,795
<i>Decrease / (increase) in non-current assets:</i>			
- Long term murabaha finances		83,979	(7,687,291)
- Long term musharakah finances		401,394	1,400,253
<i>Increase / (decrease) in non-current liabilities:</i>			
- Deferred income on murabaha		(853,201)	1,423,821
- Customers' security deposits		(3,721,050)	2,540,512
Purchase of Ijarah assets		(4,272,000)	(9,448,306)
Proceeds from disposal of Ijarah assets		7,277,564	1,142,411
Income tax paid / deducted		(121,173)	(81,789)
Net Cash (used in) / generated from Operating Activities		(730,236)	2,449,406
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of owned assets		(51,350)	(198,000)
(Purchase) / sale of investments - net		-	412,619
Repayment of loan		(1,000,000)	-
Long term deposits		-	(50,000)
Dividends received		61,550	210,500
Net Cash Generated from Investing Activities		(989,800)	375,119
CASH FLOWS FROM FINANCING ACTIVITIES			
Profit distributed to certificate holders		(18,135)	-
Net Cash Used in Financing Activities		(18,135)	-
Net (Decrease) / Increase in Cash and Cash Equivalents		(1,738,171)	2,824,525
Cash and cash equivalents at the beginning of the period		4,057,050	4,161,839
Cash and Cash Equivalents at the End of the Period		2,318,879	6,986,364

The annexed notes from 1 to 18 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Certificate Capital	Statutory Reserve	Surplus on Revaluation of Fixed Assets	Revenue Reserves		Total Reserves	Total Equity
				Unrealized Loss on Re-valuation of Investments	Accumulated Loss		
Rupees							
Balance as at June 30, 2018	298,000,000	79,637,766	2,457,200	(3,586,151)	(70,505,945)	8,002,870	306,002,870
Profit for the period	-	-	-	-	1,435,354	1,435,354	1,435,354
Total comprehensive (loss)/income for the period	-	-	-	(528,239)	(528,239)	(528,239)	(528,239)
	-	-	-	(528,239)	1,435,354	907,115	907,115
Balance as at September 30, 2018	298,000,000	79,637,766	2,457,200	(4,114,390)	(69,070,591)	8,909,985	306,909,985
Balance as at July 01, 2019	298,000,000	79,845,133	2,457,200	(6,755,141)	(69,676,475)	5,870,717	303,870,717
Profit for the period	-	-	-	-	399,222	399,222	399,222
Total comprehensive (loss)/income for the period	-	-	-	(756,371)	(756,371)	(756,371)	(756,371)
	-	-	-	(756,371)	399,222	(357,149)	(357,149)
Balance as at September 30, 2019	298,000,000	79,845,133	2,457,200	(7,511,512)	(69,277,253)	5,513,568	303,513,568

The annexed notes from 1 to 18 form an integral part of these financial statements.

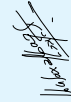
For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

Trust Modaraba (the Modaraba) was formed in Pakistan under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is being managed by Al-Zamin Modaraba Management (Private) Limited (AZMML). The Modaraba commenced its business operations on November 12, 1991. It is listed on Pakistan Stock Exchange.

The Modaraba is perpetual, multi-purpose and multi-dimensional, engaged in the business of Murabahas, Musharakahs, Ijarah, investment in marketable securities, trading and other permissible businesses. The principal place of business and registered office is located at 104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi - 75600 while regional office is located at 301-320, 3rd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore.

2. BASIS OF PREPARATION

This interim condensed financial information is unaudited and is being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34, "Interim Financial Reporting". This should be read in conjunction with the financial statements of the Modaraba for the year ended June 30, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting and financial risk management policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual published financial statements for the year ended June 30, 2019.

	(Un-audited) September 30, 2019	(Audited) June 30, 2019
Note	-----Rupees-----	

4. SHORT TERM INVESTMENTS

Financial Assets at Fair Value Through Profit and Loss - Held-For-Trading

NIT Islamic Unit Fund - at cost	2,187,970	2,187,970
Meezan Islamic Fund - at cost	1,763,965	1,763,965
Shares of listed companies - at cost	11,229,732	10,448,980
	15,181,667	14,400,915
Unrealized loss on revaluation - net	(6,537,829)	(5,955,514)
	<u>8,643,838</u>	<u>8,445,401</u>



SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2019

4.1 Shares of Listed Companies

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

Number of shares		Name of Investee	September 30, 2019		June 30, 2019	
Sept 2019	June 2019		Average cost	Market Value	Average Cost	Market Value
-----Rupees-----						
9,425	9,425	Attock Refinery Limited	1,743,403	735,527	1,743,403	728,270
4,000	4,000	Hub Power Company Limited	503,750	283,000	503,750	315,000
12,000	12,000	Frieslandcampina Engro Pakistan Limited	1,573,598	701,520	1,573,598	699,960
40,000	40,000	Fauji Cement Company Limited	1,334,304	536,000	1,334,304	629,200
1,300	1,300	Pakistan Oxygen Limited	296,123	165,464	296,123	195,000
5,600	5,600	Packages Limited	2,712,662	1,674,400	2,712,662	1,683,136
70,000	70,000	Byco Petroleum Pakistan Limited	1,293,600	368,900	1,293,600	448,700
1,100	1,100	Engro Corporation	323,038	293,579	323,038	292,160
3,000	3,000	D.G Khan Cement Co. Ltd	293,547	145,020	293,547	169,620
-	7,000	Lotte Chemical Pakistan Ltd	-	-	111,611	106,750
1,000	1,000	Shell Pakistan Ltd	263,344	136,370	263,344	182,463
10,000	-	Sui Northern Gas Pipelines Limited	666,549	616,000	-	-
5,000	-	Pak Elektron Ltd.	81,472	84,200	-	-
5,000	-	Sui Southern Gas Co. Ltd	80,372	85,450	-	-
5,000	-	TRG Pakistan Ltd	63,970	65,753	-	-
			11,229,732	5,891,183	10,448,980	5,450,259

- 4.2 It also includes unrealized revaluation loss on NIT Islamic Unit Fund of Rs.736,288 (2019: unrealized loss of Rs. 582,452) and unrealized loss on Meezan Islamic Equity Fund of Rs. 462,993 (2019: unrealized loss Rs. 374,341).

**SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	(Un-audited) September 30, 2019	(Audited) June 30, 2019
Note	-----Rupees-----	
5. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Loans to / receivable from employees - considered good	1,720,532	1,737,404
Current portion of long term deposits	186,900	186,900
Prepayments	4,816,701	4,522,906
Accrued profit	5,692,779	4,701,611
Advances for murabaha	1,000,000	-
Trade receivables - considered good	10,558,987	11,601,100
Legal suits' charges receivable	3,658,953	3,658,953
Provision for doubtful receivables	(771,950)	(771,950)
	2,887,003	2,887,003
Sundry receivables	3,713,028	3,205,401
Provision for doubtful receivables	(498,454)	(498,454)
	3,214,574	2,706,947
	<u>30,077,476</u>	<u>28,343,871</u>
6. SHORT TERM MURABAHA FINANCES - SECURED		
Considered good	12,297,503	10,572,219
Considered doubtful		
- Regular parties	6,218,088	6,218,088
- Parties under litigation	52,932,312	52,932,312
Recovery during the year	-	-
	59,150,400	59,150,400
Provision for classified receivables under Prudential Regulations for Modarabas	(28,700,300)	(28,700,300)
	<u>42,747,603</u>	<u>41,022,319</u>
7. LONG TERM MURABAHA FINANCES - SECURED		
Considered good	54,532,762	55,455,838
Considered doubtful		
- Regular parties	4,539,289	7,316,661
- Parties under litigation	42,694,051	39,077,835
Provision for doubtful long term murabaha finances	(2,726,607)	(2,726,607)
	44,506,733	43,667,889
Less: Current portion	(82,925,943)	(79,358,837)
	<u>16,113,552</u>	<u>19,764,890</u>
8. LONG TERM INVESTMENTS		
Available For Sale		
Equity securities - listed	11,387,275	11,387,275
Unrealized loss on revaluation of investments	(6,887,497)	(6,131,126)
Net investments at fair value	<u>4,499,778</u>	<u>5,256,149</u>



**SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

8.1 Shares of Listed Companies

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

Number of shares		Name of Investee	September 30, 2019		June 30, 2019	
Sept 2019	June 2019		Average cost	Market Value	Average Cost	Market Value
-----Rupees-----						
8,000	8,000	D.G Khan Cement Co. Limited	1,321,722	386,720	1,321,722	452,320
3,500	3,500	Lucky Cement Limited	2,112,901	1,197,455	2,112,901	1,331,645
11,000	11,000	Sui North Gas Pipeline Limited	1,589,637	677,600	1,589,637	764,390
110,000	110,000	Pakistan Telecommunication company Limited	1,723,144	759,000	1,723,144	909,700
11,125	11,125	Maple Leaf Cement Factory Limited	730,203	163,315	730,203	265,776
3,000	3,000	Shell Pakistan	1,318,331	409,110	1,318,331	547,380
10,000	10,000	Pioneer Cement	591,961	191,300	591,961	226,500
5,175	5,175	The Searle Company Limited	1,999,376	715,279	1,999,376	758,438
11,387,275			4,499,779	11,387,275	5,256,149	

	<i>(Un-audited)</i>	<i>(Audited)</i>
	September 30,	June 30
	2019	2019
Note	-----Rupees-----	

9. FIXED ASSETS

Operating fixed assets given on lease (ijarah) - tangible	9.1	93,637,630	103,576,825
Operating fixed assets in own use - tangible	9.2	12,170,245	12,262,956
		105,807,875	115,839,781

9.1 Operating assets given on Ijarah

Opening written down value	103,576,825	83,315,572
Additions during the period / year	4,272,000	67,439,150
Disposals during the period / year	(6,859,671)	(19,864,812)
	100,989,154	130,889,910
Depreciation charge for the period / year	(7,351,524)	(27,313,085)
	93,637,630	103,576,825

**SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	<i>(Un-audited)</i> September 30, 2019	<i>(Audited)</i> June 30 2019
	-----Rupees-----	
9.2 Fixed assets in own use		
Opening written down value	12,262,956	22,913,487
Additions during the period / year	51,350	356,498
Disposals during the period / year	-	(10,397,550)
	<u>12,314,306</u>	<u>12,872,435</u>
Depreciation charge for the period / year	(144,061)	(609,479)
	<u>12,170,245</u>	<u>12,262,956</u>
10. CREDITORS, ACCURED AND OTHER LIABILITIES		
Salaries and benefits payable	20,360	9,360
Withholding tax payable	673	-
Payable to Modaraba Management Company	177,474	133,116
Payable to SQZ Business Management Consultancy	159,904	159,904
Other liabilities	2,285,419	2,316,596
	<u>2,643,830</u>	<u>2,618,976</u>
	<i>(Un-audited)</i> September 30, 2019	<i>(Un-audited)</i> September 30, 2018
	-----Rupees-----	
11 INCOME FROM IJARAH - NET		
Income from leasing and Ijarah operations	10,510,259	8,396,909
Income suspended during the period	-	-
Receipts against suspended income	-	1,407,244
	<u>10,510,259</u>	<u>9,804,153</u>
Less: Depreciation on fixed assets given on ijarah	(7,351,524)	(5,751,084)
Less: Insurance on ijarah assets	(721,365)	(467,164)
	<u>2,437,370</u>	<u>3,585,905</u>
12. OPERATING EXPENSES		
Salaries, allowances and other benefits	3,343,848	2,917,602
Legal and professional charges	176,500	-
Fees and subscription	638,898	602,971
Electricity, gas and water	238,604	219,854
Telephone, postage and courier	137,192	163,930
Advertisement	-	124,175
Printing and stationery	126,751	184,063
Traveling and conveyance	34,668	75,727
Entertainment	149,747	167,218
Insurance	58,362	62,970
Vehicle running	514,688	533,970
Newspaper and periodicals	6,740	5,756
Rent, rates and taxes	495,852	463,794
Repairs and maintenance	385,530	315,552
Depreciation on own assets	144,061	160,790
Bank charges and commission	964	5,335
Sales tax	14,787	2,400
Ijarah rental expense - vehicle	481,104	450,000
Miscellaneous	86,216	42,164
	<u>7,034,512</u>	<u>6,498,271</u>



**SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	<i>(Un-audited)</i> September 30, 2019	<i>(Un-audited)</i> September 30, 2018
	-----Rupees-----	
13. EARNINGS PER CERTIFICATE - BASIC & DILUTED		
Profit for the period	Rupees 399,222	1,435,354
Weighted average number of certificates	Number 29,800,000	29,800,000
Earnings per certificate	Rupees 0.013	0.05
13.1 There is no dilution effect on the basic earnings per certificate of the Modaraba.		
14. CASH GENERATED FROM OPERATIONS		
Profit before taxation	399,222	1,511,737
Adjustments for non-cash and other items:		
- Depreciation:		
- Under ijarah	7,351,524	5,751,084
- In own use	144,061	160,790
- Charges / (Reversal) against non performing finances - net	-	(285,945)
- Gain on termination of ijarah arrangements	(417,893)	(221,579)
- Profit on long term investment - available for sale	-	(23,009)
- Unrealized loss on revaluation of held for trading investment	582,315	549,693
- Dividend income	(61,550)	(210,500)
	7,598,457	5,720,534
	7,997,679	7,232,271
Operating profit before working capital changes		
Decrease / (increase) in current assets		
- Short term investment - net	(780,752)	(576,482)
- Advances, deposits, prepayments and other receivables	(1,733,605)	(1,810,887)
- Short term murabaha finances	(1,725,284)	737,610
- Short term musharakah finances	(3,181,102)	(1,286,100)
- Ijarah rental receivables	(127,539)	3,768,216
- Stock in trade	-	4,720,792
(Decrease) / increase in current liabilities		
- Creditors, accrued and other liabilities	24,854	374,375
	(7,523,428)	5,927,524
Cash generated from operations	474,251	13,159,795

**SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

15. TRANSACTIONS WITH RELATED PARTIES

Transactions during the period			(Un-audited)	(Un-audited)
			September 30 2019	September 30 2018
			-----Rupees-----	
Related party	Relationship	Nature of transaction		
Al-Zamin Modaraba Management (Private) Limited	Modaraba Management Company	Management fee and others	44,358	167,971
Employees' Provident Fund	Associated undertaking	Contribution for the period	167,799	144,891
Executives and close relatives thereof	Associated persons	Loan given during the period	-	-
		Repayment of loan received	-	33,333
		Receipt of principal under long term diminishing musharakah finances	-	66,666
		Profit accrued under long term diminishing musharakah finances	-	5,334
		Receipts of profit under long term diminishing musharakah finances	-	5,334
			(Un-audited)	(Audited)
			September 30 2019	June 30 2019
			-----Rupees-----	
Outstanding Balance for the period				
Al-Zamin Modaraba Management (Private) Limited		Payable against management fee and others	177,474	133,116
		Loan payable	4,000,000	5,000,000
Executives and close relatives thereof		Loan receivables	997,002	1,048,002
		Receivable against sale of vehicle	332,062	332,062

16. Non Adjusting Event after the reporting date

The Board of Directors of the Management Company in their meeting held on September 19, 2019 has decided to pass over the dividend for this year ended on 30th June, 2019 (2018: Nil)

17. Authorization of Financial Statements

These financial statements were approved for issue by the Board of Directors of the Management company in their meeting held on October 28, 2019.



SELECTED NOTES TO INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2019

18. Corresponding Figures

Corresponding figures have been re-arranged, wherever necessary, to facilitate comparison. Following re-arrangements have been made during the year for better presentation:

Nature	From	To	Amount (Rupees)
Unclaimed dividends	Creditors, accrued and other liabilities (Note 10)	Face of balance sheet	12,930,127
Current portion of deferred income on murabaha	Creditors, accrued and other liabilities (Note 10)	Face of balance sheet	6,854,911
Depreciation on fixed assets given on ijarah	Face of profit and loss account	Income from Ijarah - net (Note 11)	7,351,524
Insurance on ijarah assets	Operating expenses account	Income from Ijarah - net (Note 11)	721,365
Dividend income on equity investments	Face of profit and loss account	Income from investment - net	61,550

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

www.jamapunji.pk



سرمایہ کاری سمجھداری کے ساتھ



**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

- 📄 Licensed Entities Verification
- 🕒 Scam meter*
- 🎮 Jamapunji games*
- 📄 Tax credit calculator*
- 👤 Company Verification
- 📄 Insurance & Investment Checklist
- ?? FAQs Answered
- 📈 Stock trading simulator (based on live feed from KSE)
- 📄 Knowledge center
- 📄 Risk profiler*
- 📄 Financial calculator
- 📄 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📄 Jamapunji application for mobile device
- 📄 Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

jamapunji.pk

@jamapunji_pk

*Mobile apps are also available for download for android and ios devices

BOOK POST

104-106, Kassam Court,
BC-9, Block-5, Clifton, Karachi-75600
Tel: 021-35876651, 35876652 Fax: 021-35870408
Web: www.trustmodaraba.com