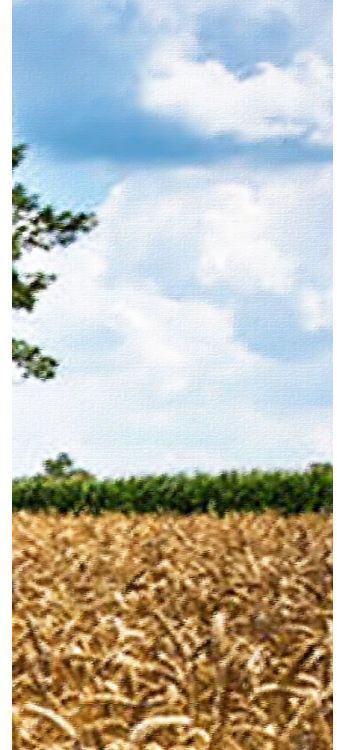


Growth + Prosperity



**First Punjab Modaraba**  
*(An Islamic Financial Institution)*



# Contents

---

Corporate Profile	2
Directors' Report	3
Directors' Report (Urdu)	4

## **UN CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

---

Interim Balance Sheet	6
Interim Profit and Loss Account	7
Interim Statement of Comprehensive Income	8
Interim Statement of Changes in Equity	9
Interim Cash Flow Statement	10
Selected Notes to the Interim Financial Information	11-18

## **CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

---

Condensed Interim Balance Sheet	20
Condensed Interim Profit and Loss Account	21
Condensed Interim Statement of Comprehensive Income	22
Condensed Statement of Changes in Equity	23
Condensed Interim Cash Flow Statement	24
Selected Notes to the Interim Financial Information	25-31



## Corporate Profile

### Board of Directors

Punjab Modaraba Services (Pvt.) Ltd.

Khalid Siddiq Tirmizey	Chairman
Aamir Malik	Chief Executive
Nadeem Amir	Director
Ijaz ur Rehman Qureshi	Director
Mahboob-ul-Hassan	Director
Umar Iqbal Sheikh	Director
Imran Bashir	Director

### Chief Financial Officer & Company Secretary

Mudassar Kaiser Pal

### Audit Committee

Imran Bashir	Chairman
Nadeem Amir	Member
Ijaz ur Rehman Qureshi	Member

### Human Resource Committee

Imran Bashir	Chairman
Ijaz ur Rehman Qureshi	Member
Nadeem Amir	Member
Aamir Malik	Member

### Auditors of the Modaraba

EY Ford Rhodes  
Chartered Accountants

### Auditors of the Management Company

Shinewing Hameed Chaudhry & Co.  
Chartered Accountants

### Bankers

The Bank of Punjab  
Bank Alfalah Limited  
Meezan Bank Limited

### Registrar

Hameed Majeed Associates (Pvt) Ltd.  
H.M. House, 7-Bank Square,  
The Mall, Lahore  
Tel: (+92-42) 37235081-2

### Registered Office

Office No. 100, 3<sup>rd</sup> floor, National Tower,  
28-Egerton Road, Lahore  
Tel: (+92-42) 36365191-93  
Fax: (+92-42) 36365195  
E-mail: info@punjabmodaraba.com.pk

## Directors' Report

The Board of Directors of Punjab Modaraba Services (Pvt.) Limited, the Management Company of First Punjab Modaraba (the Modaraba), is pleased to present the quarterly results of the Modaraba, together with Directors' report, for quarter ended September 30, 2019.

As reported by the State Bank, recent economic activity indicators show a gradual slowdown, in line with earlier expectations. The slowdown is more pronounced in domestic oriented industries and overall business sentiment remained subdued. On a cumulative basis, private sector credit contracted, showing the results of previous monetary tightening. Core inflation also rose in recent months, in line with the SBP's earlier projections and reflected the pass-through of earlier exchange rate depreciation, adjustment in utility prices, and an increase in food prices.

On positive side, the external sector continued to show significant improvement with a sizeable reduction of around 32 percent. Whereas, recent developments in the fiscal sector had been mixed with an overall fiscal deficit of 8.9 percent of GDP on one hand and tax revenues (net of refunds) growing considerably in recent months, on the other hand.

The Modaraba continued to book fresh assets during the period under review. The total revenue improved by 21% as compared with corresponding period. However, the revenue improvement was offset by substantial rise in financial cost, being perpetual effect of profit rates upsurge. The recovery from non-performing assets resulted in reversal of provision, thereby reducing net loss to Rs.9.91 million.

Going forward, the Modaraba will continue with strategy of growth in business by booking of fresh assets and further recovery from NPAs, through litigation and / or out-of-court settlement on top priority basis.

The Board acknowledges the continuous guidance and support extended by the Registrar Modaraba, Securities & Exchange Commission of Pakistan and expects the same in future as well. The Board is also thankful for the patronage extended by the certificate holders.

For and on behalf of the Board of Directors

**(Amir Malik)**  
**Chief Executive**

**Nadeem Amir**  
**Director**

Lahore: November 08, 2019

## ڈائریکٹرز کی رپورٹ

فرسٹ پنجاب مضاربہ (مضاربہ) کی انتظامی کمپنی پنجاب مضاربہ سروسز (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2019ء کو اختتام پذیر سہ ماہی کے لئے ڈائریکٹرز رپورٹ کے ہمراہ مضاربہ کے سہ ماہی نتائج ازراہ مسرت پیش کرتے ہیں۔

اسٹیٹ بینک کی رپورٹ کے مطابق حالیہ اقتصادی سرگرمی کے اشارے توقعات کے عین مطابق سست روی ظاہر کرتے ہیں۔ یہ سست روی مقامی صنعتوں میں زیادہ ہے اور مجموعی کاروباری حالات ابتر رہے۔ سابقہ اقتصادی سختی کے نتیجے میں مجموعی طور پر نجی شعبہ کا کریڈٹ سکڑ گیا۔ اسٹیٹ بینک کے ابتدائی تخمینہ کے تحت حالیہ مہینوں میں افراط زر میں بھی اضافہ ہوا جو شرح مبادلہ میں کمی، گیس و بجلی جیسی بنیادی سہولیات کی قیمتوں میں تبدیلی اور خوراک کی قیمتوں میں اضافہ کی وجہ سے تھا۔ بیرونی شعبہ میں تقریباً 32 فی صد کی کمی کے ساتھ نمایاں پیش رفت ایک مثبت رجحان تھا۔ جب کہ اقتصادیات میں حالیہ پیش رفت مجموعی قومی پیداوار کے 8.9 فی صد کے مالیاتی خسارے اور ٹیکس ریوینیو میں اضافہ کا مجموعہ ثابت ہوئی۔

زیر جائزہ مدت کے دوران مضاربہ نئے اثاثہ جات کا حصول جاری رکھا۔ آمدنی میں گذشتہ مدت کے مقابلہ میں 21 فی صد اضافہ ہوا۔ تاہم، آمدنی میں اضافہ کے ساتھ ساتھ قرضوں کی لاگت میں نمایاں اضافہ کی وجہ سے منافع کی شرح میں بھی ردو بدل ہوا۔ غیر فعال اثاثہ جات سے وصولی سے خالص خسارہ میں 9.91 ملین روپے کمی واقع ہوئی۔

مستقبل میں مضاربہ نئے اثاثہ جات کے حصول اور بذریعہ قانونی چارہ جوئی اور/یا عدالت سے باہر ثالثی NPA سے مزید وصولی کے ذریعے کاروبار میں بہتری کی حکمت عملی پر عمل پیرا رہے گا۔

بورڈ رجسٹرڈ مضاربہ اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی رہنمائی اور مسلسل حمایت کی حوصلہ افزائی کرتا ہے اور اس کے تسلسل کی امید بھی رکھتا ہے۔ بورڈ سٹوفلیٹ ہولڈرز کے ہم پر اعتماد کا بھی شکریہ ادا کرتا ہے۔

منجانب ابرائے بورڈ آف ڈائریکٹرز

ڈائریکٹر

چیف ایگزیکٹو

لاہور، 08 نومبر 2019ء



# **FINANCIAL Statements**

as at 30 September, 2019



# First Punjab Modaraba

## Unconsolidated Condensed Interim Balance Sheet

As at September 30, 2019

	Note	30 September 2019 (Un-Audited) Rupees	30 June 2019 (Audited) Rupees
<b>ASSETS</b>			
<b>Non current assets</b>			
Tangible fixed assets	5	359,659,051	363,711,083
Ijarah assets		3,209,352	3,338,201
Assets in own use	6	76,500,000	76,500,000
Investment in subsidiary	7	381,983,728	382,757,015
Long term musharikhah investment - secured	8	19,458,689	9,053,126
Long term morabaha investment - secured		203,444	203,444
Long term deposits		68,040,100	64,398,663
Deferred tax asset		909,054,364	899,961,532
<b>Current assets</b>			
Short term morabaha investment - secured	9	252,232,109	294,796,541
Current maturity of long term investment	10	430,811,877	479,398,426
Ijarah rental receivable		303,571,921	300,162,866
Advances, deposits, prepayments and other receivables		122,897,208	108,106,122
Tax refundable		4,539,107	4,145,679
Cash and bank balances		34,705,491	43,024,878
		1,148,757,713	1,229,634,512
<b>TOTAL ASSETS</b>		<b>2,057,812,077</b>	<b>2,129,596,044</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Authorized certificate capital		500,000,000	500,000,000
50,000,000 modaraba certificates of Rs. 10 each			
Issued, Subscribed and paid-up Certificate		340,200,000	340,200,000
Capital 34,020,000 certificates of Rs. 10 each		216,692,528	216,692,528
Capital Reserves		(369,813,626)	(364,283,405)
Revenue Reserves		187,078,902	192,609,123
<b>Non current liabilities</b>			
Security deposits		52,781,643	51,453,730
Deferred morabaha income		816,860	776,860
Long term musharikhah finance-secured	11	1,200,514,748	1,223,621,569
		1,254,113,251	1,275,892,159
<b>Current liabilities</b>			
Current maturity of long term security deposits		95,179,731	95,179,731
Redeemable capital - participatory and unsecured		403,518,493	445,518,493
Profit payable	12	46,724,527	40,771,650
Trade and other payables		52,649,547	61,114,844
Unclaimed profit		17,554,960	17,557,378
Provision for taxation		992,666	992,666
		616,619,924	652,130,697
<b>Contingencies and commitments</b>	13	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,057,812,077</b>	<b>2,129,596,044</b>

The attached notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive  
Punjab Modaraba Services  
(Private) Limited

Chief Financial officer  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited

## Unconsolidated Condensed Interim Profit and Loss Account(Un-Audited)

For the Three months ended September 30, 2019

	<b>Note</b>	<b>30 September 2019 (Un-Audited) Rupees</b>	30 September 2018 (Un-Audited) Rupees
<b>Income</b>			
Income from Ijarah rentals		9,991,506	10,550,870
Income from morabaha investment		3,761,359	1,625,320
Income from musharikhah investment		34,436,381	24,721,931
Gain on disposal of fixed assets		398,605	1,214,776
Other income		1,078,629	1,119,094
		<b>49,666,480</b>	39,231,991
<b>Expenses</b>			
Operating expenses		8,743,012	8,380,761
Finance cost		53,604,839	27,766,711
		<b>62,347,851</b>	36,147,472
<b>Operating profit/(loss) before provision</b>		<b>(12,681,371)</b>	3,084,519
Provision / (Reversal) for morabaha investment		-	-
Provision / (Reversal) for impairment of ijarah assets		-	4,423,484
Provision / (Reversal) for musharikhah investment		3,509,713	-
		<b>(3,509,713)</b>	<b>(4,423,484)</b>
Operating profit after provision and impairment		<b>(9,171,658)</b>	7,508,003
<b>Modaraba Company's management fee</b>		-	-
		<b>(9,171,658)</b>	7,508,003
<b>Taxation</b>		<b>3,641,437</b>	239,891
<b>Profit for the period</b>		<b>(5,530,221)</b>	7,747,894
<b>Earnings per certificate - basic and diluted</b>		<b>(0.16)</b>	0.23

The attached notes 1 to 21 form an integral part of this condensed interim financial information.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited





## Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the Three months ended September 30, 2019

	<b>30 September 2019 (Un-Audited) Rupees</b>	<b>30 September 2018 (Audited) Rupees</b>
Income for the period	<b>(5,530,221)</b>	7,747,894
Other Comprehensive Income for the Period	-	-
<b>Total comprehensive income for the period</b>	<b>(5,530,221)</b>	7,747,894

The attached notes 1 to 21 form an integral part of this condensed interim financial information.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited



## Unconsolidated Statement of Changes in Equity (Un-Audited)

For the Three months ended September 30, 2019

	Certificate capital	Capital Reserve Statutory reserves	Revenue Reserve Accumulated loss	Total
	----- (Rupees) -----			
<b>Balance as at July 1, 2017</b>	340,200,000	215,447,495	(352,253,538)	203,393,957
Profit for the period	-	-	7,747,894	7,747,894
Other comprehensive income for the period	-	-	-	-
<b>Balance as at September 30, 2018</b>	<u>340,200,000</u>	<u>215,447,495</u>	<u>(344,506,735)</u>	<u>211,140,760</u>
<b>Balance as at July 1, 2019</b>	<b>340,200,000</b>	<b>216,692,528</b>	<b>(364,283,405)</b>	<b>192,609,123</b>
Profit for the period	-	-	<b>(5,530,221)</b>	<b>(5,530,221)</b>
Other comprehensive income for the period	-	-	-	-
<b>Balance as at September 30, 2019</b>	<u><b>340,200,000</b></u>	<u><b>216,692,528</b></u>	<u><b>(369,813,626)</b></u>	<u><b>187,078,902</b></u>

The attached notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited



## Unconsolidated Condensed Interim Cash Flow Statement (Un-Audited)

For the Three months ended September 30, 2019

	Note	30 September 2019 (Un-audited) Rupees	30 September 2018 (Un-audited) Rupees
<b>Cash flow from operating activities</b>			
<b>Cash generated from operations</b>	16	51,709,193	(11,829,692)
Profit paid on certificates of musharikhah		(13,039,716)	(6,606,849)
Profit paid on musharikhah finances		(34,612,246)	(18,323,106)
Taxes paid		(393,428)	(186,134)
		(48,045,390)	(25,116,089)
Net cash (used in) / generated from operating activities		3,663,803	(36,945,781)
<b>Cash flow from investing activities</b>			
Musharikhah investment-Net		53,126,049	(22,802,211)
Purchase of fixed assets in own use		-	(52,120)
Net cash used in from investing activities		53,126,049	(22,854,331)
<b>Cash flow from financing activities</b>			
Musharikhah finances obtained		(23,106,821)	39,873,023
Redeemable capital issued		(42,000,000)	3,000,000
Profit distributed among the certificate holders		(2,418)	(19,616)
Net cash generated from financing activities		(65,109,239)	42,853,407
Net increase in cash and cash equivalents		(8,319,387)	(16,946,705)
Cash and cash equivalents at the beginning of the period		43,024,878	47,169,012
Cash and cash equivalents at the end of the period		34,705,491	30,222,307

The attached notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Chief Executive  
Punjab Modaraba Services  
(Private) Limited

Chief Financial officer  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited



## Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited)

For the Three months ended September 30, 2019

### 1 Status and nature of business

First Punjab Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and rules framed thereunder and is managed by Punjab Modaraba Services (Private) Limited (wholly owned subsidiary of The Bank of Punjab), a company incorporated in Pakistan. The registered office of the Modaraba is situated at 3rd Floor, National Tower, Egerton Road, Lahore. The Modaraba commenced its operations from 23rd December 1992. The Modaraba is listed on Pakistan Stock Exchange.

The Modaraba is a perpetual, multi purpose and multi dimensional modaraba and is primarily engaged in the business of ijarah, musharika and morabaha financing, equity investment and other related business in accordance with the injunctions of Islam.

The Modaraba established its wholly owned subsidiary on November 29, 2016 as a private limited Company under the name of Punjab Capital Securities (Pvt) Limited. The Company is mainly engaged in the business of brokerage services, portfolio management and consultancy services.

These condensed financial statements are the separate condensed financial statements of the Modaraba in which investments in subsidiary are accounted for on the basis of direct equity interest rather than on the basis of reported results. Consolidated condensed financial statements are prepared separately.

### 2 Basis of preparation

This unconsolidated condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by SECP differ with the requirements of IFRSs or IFAS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issued by the SECP prevail.

This unconsolidated condensed interim financial information is un-audited. This interim financial information of the Modaraba for the period ended 30 September 2019 has been prepared in accordance with the requirements of the International Accounting Standard (IAS)-34 "Interim Financial Reporting". This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Modaraba for the year ended 30 June 2019.

This unconsolidated condensed interim financial information is being submitted to the certificate holders as required under the Rule 10 of Modaraba Companies and Modaraba Rules, 1981.



### 3 Significant accounting policies

The accounting policies and methods of computation adopted for the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the financial statements of the Modaraba for the preceding year ended 30 June 2019.

### 4. Significant accounting estimates and judgements

The preparation of this unconsolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for year ended 30 June 2019.

	<b>Note</b>	<b>30 September 2019 (Un-audited) Rupees</b>	<b>30 June 2019 (Audited) Rupees</b>
<b>5 Tangible fixed assets</b>			
Ijarah assets	<b>5.1</b>	<b>359,659,051</b>	363,711,083
Assets in own use	<b>5.2</b>	<b>3,209,352</b>	3,338,201
		<b>362,868,403</b>	367,049,284



5.1 Ijarah assets

September 2019 (Un-Audited)

Description	COST		DEPRECIATION		IMPAIRMENT		NET BOOK VALUE		
	As at 1 July 2019	As at 30 Sep 2019	Charge for the period	Transfer	As at 1 July 2019	Reversal for the period	As at 30 Sep 2019	As at 30 Sep 2019	
Plant and machinery	642,228,970	642,228,970	3,423,430	-	516,883,634	20,593,102	-	20,593,102	104,752,234
Vehicle	394,616,063	398,265,566	10,702,811	(2,555,666)	158,831,284	1,104,397	-	1,104,397	238,349,885
Cessna aircraft	13,552,604	13,552,604	-	-	13,552,604	-	-	-	-
Consumer products	24,103,475	29,127,475	11,395,583	(1,069,001)	12,570,543	-	-	-	16,556,932
	1,074,501,112	1,083,194,615	16,370,202	(3,624,667)	701,838,065	21,697,499	-	21,697,499	359,659,051

June - 2018 (Audited)

Description	COST		DEPRECIATION		IMPAIRMENT		NET BOOK VALUE		
	As at 1 July 2018	As at 30 June 2019	Charge for the year	Transfer	As at 1 July 2018	Reversal for the year	As at 30 June 2018	As at 30 June 2018	
Plant and machinery	641,915,470	642,228,970	9,763,465	(1,834,373)	513,460,204	(9,000,000)	-	20,593,102	108,75,664
Vehicle	220,786,051	194,220,797	42,581,925	(2,416,715)	150,684,139	-	-	1,104,397	242,827,527
Cessna aircraft	13,552,604	13,552,604	-	-	13,552,604	-	-	-	-
Consumer products	20,608,226	24,103,475	10,044,845	(9,473,559)	11,395,583	-	-	-	12,707,892
	896,862,351	1,074,501,112	62,390,236	(13,724,647)	689,092,530	(9,000,000)	-	21,697,499	363,711,083

5.1.1 Transfers represent the assets disposed through negotiation after expiry / termination of Ijarah. However, in view of large number of disposals, detail of each disposal has not been given.

5.1.2 The Gross Carrying amount (cost) of fully depreciated assets that are still in use Rs. 634,195,971 (30 June 2019 : Rs. 633,608,701).



# First Punjab Modaraba

## 5.2 Assets in own use

September 2019 (Un-Audited)

Description	COST			DEPRECIATION			NET BOOK VALUE			Depreciation Rate
	As at 1 July 2019	Additions	Disposal	As at 1 July 2019	Charge for the period	Disposal	As at 30 Sep 2019	As at 30 Sep 2019	As at 30 Sep 2019	
Office Equipment	2,585,910	-	-	1,862,471	70,602	-	1,933,073	652,837	652,837	15% & 30%
Furniture & Fixtures	1,976,956	-	-	1,127,236	42,730	-	1,169,966	806,990	806,990	15%
Vehicles	2,174,400	-	-	409,358	15,517	-	424,875	1,749,525	1,749,525	20%
	<b>6,737,266</b>	<b>-</b>	<b>-</b>	<b>3,399,065</b>	<b>128,849</b>	<b>-</b>	<b>3,527,914</b>	<b>3,209,352</b>	<b>3,209,352</b>	

June 2019 (Audited)

Description	COST			DEPRECIATION			NET BOOK VALUE			Depreciation Rate
	As at 1 July 2018	Additions	Disposal	As at 1 July 2018	Charge for the year	Disposal	As at 30 June 2019	As at 30 June 2019	As at 30 June 2019	
Office Equipment	2,449,802	271,408	(135,300)	1,661,704	311,850	(111,083)	1,862,471	723,439	723,439	15% & 30%
Furniture & Fixtures	1,976,956	-	-	913,667	213,569	-	1,127,236	849,720	849,720	15%
Vehicles	801,900	1,372,500	-	163,727	245,631	-	409,358	1,765,042	1,765,042	20%
	<b>5,228,658</b>	<b>1,643,908</b>	<b>(135,300)</b>	<b>2,739,098</b>	<b>771,050</b>	<b>(111,083)</b>	<b>3,399,065</b>	<b>3,338,201</b>	<b>3,338,201</b>	

**5.2.1** The Gross Carrying amount (cost) of fully depreciated assets that are still in use Rs. 1,459,609 (30 June 2019 : Rs. 1,119,609).



## 6 Investment in subsidiary

As a result of Stock Exchange (Corporatization, Demutualization and Integration) Act 2012, the Modaraba acquired Trading Rights Entitlement Certificate (TREC) and the subsidiary has been setup to undertake brokerage business and thereby utilize the TREC. The Modaraba obtained permission from SECP vide letter dated October 21, 2016 to form a wholly owned subsidiary to undertake brokerage business and the subsidiary was incorporated on November 29, 2016. During the period, total investment in Subsidiary remains at Rs. 76,500,000 (June 30, 2019: Rs. 76,500,000).

	<b>30 September 2019 (Un-audited) Rupees</b>	30 June 2019 (Audited) Rupees
<b>7 Long term musharikhah investment - secured</b>		
Long term musharikhah investment	<b>808,123,768</b>	866,449,630
Less: Current maturity	<b>(426,140,040)</b>	(483,692,615)
	<b>381,983,728</b>	382,757,015
<b>8 Long term morabaha investment - secured</b>		
Long term morabaha investment	<b>21,256,258</b>	20,036,259
Add: Unearned morabaha income	<b>2,874,268</b>	2,232,204
	<b>24,130,526</b>	22,268,463
Less: Current portion of long term morabaha investment	<b>(3,256,493)</b>	(11,799,993)
Less: Current portion of unearned morabaha income	<b>(1,415,344)</b>	(1,415,344)
Total long term morabaha investment net	<b>19,458,689</b>	9,053,126
<b>9 Short term morabaha investment-secured</b>		
Short term morabaha Investment	<b>490,672,387</b>	525,782,308
Add: Unearned morabaha income	<b>5,921,101</b>	4,575,612
	<b>496,593,488</b>	530,357,920
Less: Provision for doubtful finances	<b>(244,361,379)</b>	(235,561,379)
	<b>252,232,109</b>	294,796,541
<b>10 Current maturity of long term investment</b>		
Morabaha investment	<b>11,979,993</b>	11,799,993
Add: Unearned morabaha income	<b>1,491,844</b>	1,415,344
Less: Provision against morabaha investment	<b>(8,800,000)</b>	(8,800,000)
	<b>4,671,837</b>	4,415,337
Musharikhah investment	<b>432,339,853</b>	483,692,615
Less: Provision against musharika investment	<b>(6,199,813)</b>	(8,709,526)
	<b>426,140,040</b>	474,983,089
	<b>430,811,877</b>	479,398,426





## 11 Long term musharikhah finance-secured

During the period the modaraba has availed musharikhah finance facilities from The Bank of Punjab having approved limits of Rs.1,585 million (June 30, 2019: Rs.1,585 million). These facilities are secured by way of first pari passu charge over present and future fixed assets of Modaraba for amount of Rs. 860 million and first pari passu charge over present and future current assets of Modaraba for an amount of Rs. 1,040 million. The estimated share of profit payable on musharikhah facilities is 3 Month-KIBOR (June 30, 2019: 3 Month-KIBOR).

	<b>30 September 2019 (Un-audited) Rupees</b>	30 June 2019 (Audited) Rupees
<b>12 Profit payable</b>		
Musharikhah finance	<b>39,525,030</b>	34,609,950
Redeemable capital	<b>7,199,497</b>	6,161,700
	<b>46,724,527</b>	40,771,650

## 13 Contingencies and commitments

### 13.1 Contingencies

There are no significant changes in contingent liabilities since the last published financial statements as at June 30, 2019.

### 13.2 Commitments

Musharikhah commitments that have been approved, but not disbursed as on balance sheet date, amount to Rs. 10.010 million. (June 30, 2019 : Rs. 10.85)

	<b>30 September 2019 (Un-audited) Rupees</b>	30 September 2018 (Un-Audited) Rupees
<b>14 Finance cost</b>		
Financial charges on musharikhah	<b>39,527,326</b>	20,385,890
Financial charges on redeemable capital	<b>14,077,513</b>	7,380,821
	<b>53,604,839</b>	27,766,711
<b>15 Taxation</b>		
<b>Current Tax</b>		
- Current period	-	(1,276,361)
<b>Deferred</b>		
- Relating to origination and reversal of temporary differences	<b>3,641,437</b>	1,516,252
	<b>3,641,437</b>	239,891



	<b>30 September 2019 (Un-audited) Rupees</b>	<b>30 September 2018 (Un-Audited) Rupees</b>
<b>16 Cash flow from operating activities</b>		
Profit for the period	(9,171,658)	7,508,003
Adjustments for:		
Depreciation of ijarah assets	16,370,202	12,015,942
Depreciation of assets in own use	128,859	840,954
Gain/loss on sale of financing assets	(398,605)	(1,214,776)
Provision/(Reversal) against ijarah assets	-	(4,423,484)
Provision/(Reversal) against musharikhah investment	(3,509,713)	-
Profit on musharikhah/morabaha finances	39,527,326	20,385,890
Profit on certificates of musharikhah	14,077,513	7,380,821
	<b>66,195,572</b>	<b>34,985,347</b>
Operating profit before working capital changes	<b>57,023,914</b>	<b>42,493,350</b>
<b>Working capital changes</b>		
(Increase)/decrease in operating assets:		
Morabaha investment	31,902,369	(2,970,000)
Purchase of assets under ijarah arrangements	(12,295,900)	(77,614,538)
Proceeds from transfer of ijarah assets	376,335	22,757,899
Ijarah Rental Receivable - net	(3,409,055)	
Advances, deposits, prepayments and other receivables	(14,751,087)	20,766,244
	<b>1,822,662</b>	<b>(37,060,395)</b>
Increase/(decrease) in operating liabilities:		
Security deposits - net	1,327,913	5,055,000
Trade and other payables	(8,465,297)	(22,317,647)
	<b>(7,137,384)</b>	<b>(17,262,647)</b>
	<b>(5,314,722)</b>	<b>(54,323,042)</b>
Cash generated from operations	<b>51,709,192</b>	<b>(11,829,692)</b>
<b>17 Transactions with related parties</b>		
	<b>30 September 2019 (Un-audited) Rupees</b>	<b>30 June 2019 (Audited) Rupees</b>
<b>17.1 Balance outstanding at the end of period</b>		
<b>17.1.1 The Bank of Punjab (Holding company of Modaraba's Management Company)</b>		
Musharikhah finances	1,200,514,748	1,223,621,569
Profit payable on musharikhah finances	39,525,030	34,609,950
Certificates of musharikhah	400,000,000	400,000,000
Profit payable on certificates of musharikhah	7,199,497	5,936,301
<b>17.1.2 Punjab Modaraba Services (Private) Limited Management fee</b>	-	-
<b>17.1.3 Punjab Capital Securities (Pvt.) Ltd.</b>	<b>76,500,000</b>	<b>76,500,000</b>



<b>17.2 Transactions during the period</b>	<b>July to Sep 2019 (Un-audited) Rupees</b>	<b>July to Sep 2018 (Un-audited) Rupees</b>
<b>17.2.1 The Bank of Punjab (Holding company of Modaraba's Management Company)</b>		
Profit charged on finances	<b>39,527,326</b>	20,385,890
Profit charged on certificates of Musharikhah	<b>13,082,613</b>	7,380,821
<b>17.2.2 Management fee paid</b>	-	-

**18 Fair value of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

At reporting date, the Modaraba does not hold any financial instruments which are required to be measured under any valuation method and which falls under any of the levels in the prescribed hierarchy.

The carrying amounts of all the financial instruments reflected in these financial statements approximate their fair value.

**19 Financial risk management**

The Modaraba's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2019.

**20 Date of authorization**

This unaudited interim financial information for the period ended 30 September 2019 was authorized for issue by the Board of Directors of the Management Company on 08 November 2019.

**21 General**

Figures have been rounded off to the nearest rupee.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited



**CONSOLIDATED**  
**FINANCIAL Statements**  
as September 30, 2019



# First Punjab Modaraba

## Consolidated Condensed Interim Balance Sheet

As at September 30, 2019

	Note	30 September 2019 (Un-Audited) Rupees	30 June 2019 (Audited) Rupee
<b>ASSETS</b>			
<b>Non current assets</b>			
Tangible fixed assets	5		
Ijarah Assets		359,659,051	363,711,083
Assets in own use		4,602,008	4,803,650
In-tangible assets		67,140,225	6,765,726
Long term investment		19,155,066	19,155,066
Long term musharikhah investment - secured		381,983,728	382,757,015
Long term morabaha investment - secured	8	19,458,689	9,053,126
Long term Assets		2,281,853	2,281,853
Deferred tax asset		68,040,100	64,398,663
		<b>862,320,720</b>	<b>852,926,182</b>
<b>Current assets</b>			
Short term morabaha investment - secured	9	252,232,109	294,796,541
Current maturity of long term investment	10	430,811,877	479,398,426
Trade Receivable		1,871,951	6,535,096
Advances, deposits, prepayments and other receivables		131,245,909	118,634,000
Ijara rental receivable		303,571,921	300,162,866
Tax refund due from government		6,351,876	5,871,699
Cash and bank balances		71,878,608	77,720,149
		<b>1,197,964,251</b>	<b>1,283,118,777</b>
<b>TOTAL ASSETS</b>		<b>2,060,284,971</b>	<b>2,136,044,959</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Issued, Subscribed and paid-up Certificate Capital 34,020,000 certificates of Rs. 10 each		340,200,000	340,200,000
Statutory reserves		216,692,528	216,692,528
Fair value reserve		8,846,368	8,846,368
Revenue Reserves		(386,141,966)	(379,965,427)
		<b>179,596,930</b>	<b>185,773,469</b>
<b>Non current liabilities</b>			
Security deposits		52,781,643	51,453,730
Deferred morabaha income		816,860	776,860
Long term musharikhah finance secured	11	1,200,514,748	1,223,621,569
		<b>1,254,113,251</b>	<b>1,275,852,159</b>
<b>Current liabilities</b>			
Current maturity of long term security deposits		95,179,731	95,179,731
Redeemable capital - participatory and unsecured		403,518,493	445,518,493
Profit payable	12	46,724,527	40,771,650
Trade and other payables		62,362,993	74,174,754
Unclaimed profit		17,554,960	17,557,378
Provision for Taxation		1,234,086	1,217,325
		<b>626,574,790</b>	<b>674,419,331</b>
<b>Contingencies and commitments</b>	13	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,060,284,971</b>	<b>2,136,044,959</b>

The attached notes 1 to 20 form an integral part of this consolidated condensed interim financial information.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

## Consolidated Condensed Interim Profit and Loss Account(Un-Audited)

For the period ended September 30, 2019

	Note	30 September 2019 (Un-Audited) Rupees	30 September 2018 (Un-Audited) Rupees
<b>Income</b>			
Income from Ijarah rentals		9,991,506	10,550,870
Income from morabaha investment		3,761,359	1,625,320
Income from musharikhah investment		34,436,381	24,721,931
Revenue from contract with customers		1,340,848	2,332,307
Gain on Disposal of Assets		398,605	1,214,776
Other income		1,985,893	1,911,795
		<b>51,914,592</b>	42,356,999
<b>Expenses</b>			
Operating expenses		11,617,693	11,429,463
Finance cost	14	53,608,297	27,767,349
		<b>65,225,990</b>	39,196,812
<b>Operating profit/(loss) before provision</b>		<b>(13,311,398)</b>	3,160,187
Provision/(Reversal) for morabaha investment		-	-
Provision/Reversal for impairment of ijarah assets		-	(4,423,484)
Provision/(Reversal) for musharikhah investment		(3,509,713)	-
		<b>(3,509,713)</b>	(4,423,484)
<b>Operating profit after provision and impairment</b>		<b>(9,801,685)</b>	7,583,671
<b>Modaraba Company's management fee</b>		-	-
		<b>(9,801,685)</b>	7,583,671
<b>Taxation</b>	15	3,625,146	210,737
<b>Profit for the period</b>		<b>(6,176,539)</b>	7,794,408
<b>Earnings per certificate - basic and diluted</b>		<b>(0.18)</b>	0.23

The attached notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive  
Punjab Modaraba Services  
(Private) Limited

Chief Financial officer  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited



## Consolidated condensed Interim Statement of Comprehensive Income (Un-Audited)

For the period ended September 30, 2019

	<b>July to Sep 2019 (Un-Audited) Rupees</b>	<b>July to Sep 2018 (Un-Audited) Rupees</b>
<b>Profit for the period</b>	<b>(6,176,539)</b>	7,794,408
Gain on revaluation of available for sale investment	-	4,583,196
<b>Total comprehensive Income for the period</b>	<b>(6,176,539)</b>	12,377,604

The attached notes 1 to 20 form an integral part of this condensed interim financial information.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited



## Consolidated Statement of Changes in Equity (Un-Audited)

For the period ended September 30, 2019

	Certificate Capital	Capital Reserve		Revenue Reserve	Total
		Fair Value reserve	Statutory reserve	Accumulated loss	
-----Rupees-----					
<b>Balance as at 01 July 2018</b>	340,200,000	-	211,960,411	(365,244,416)	186,915,995
Profit for the year	-	-	-	7,794,408	7,794,408
Other comprehensive income for the year	-	-	-	4,583,196	4,583,196
Total comprehensive income for the year	-	-	-	12,377,604	12,377,604
<b>Balance as at 30 September 2018</b>	<b>340,200,000</b>	<b>-</b>	<b>211,960,411</b>	<b>(352,866,812)</b>	<b>199,293,599</b>
<b>Balance as at 01 July 2019</b>	340,200,000	8,846,368	216,692,528	(379,965,427)	185,773,469
Profit for the year	-	-	-	(6,176,539)	(6,176,539)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	12,377,604	12,377,604
<b>Balance as at 30 September 2019</b>	<b>340,200,000</b>	<b>8,846,368</b>	<b>216,692,528</b>	<b>(386,141,966)</b>	<b>179,596,930</b>

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited





## Consolidated Condensed Interim Cash Flow Statement (Un-Audited)

For the period ended September 30, 2019

	Note	30 September 2019 (Un-audited) Rupees	30 September 2018 (Un-audited) Rupees
<b>Cash flow from Operating activities</b>			
Cash (used in) / generated from operations	16	37,903,256	(24,165,764)
Profit paid on certificates of musharikhah		(13,039,716)	(6,606,849)
Profit paid on musharikhah finances		(34,612,246)	(18,323,106)
Taxes paid		15,860,345	(519,363)
		(31,791,617)	(25,449,318)
<b>Net cash (used in) / generated from operating activities</b>		<b>6,111,639</b>	<b>(49,615,082)</b>
<b>Cash flow from investing activities</b>			
Musharikhah investment redeemed		53,126,049	(22,802,211)
Purchase of fixed assets in own use		-	(52,120)
<b>Net cash (used in)/generated from investing activities</b>		<b>53,126,049</b>	<b>(22,854,331)</b>
<b>Cash flow from financing activities</b>			
Musharikhah finances		(23,106,821)	39,873,023
Redeemable capital		(42,000,000)	3,000,000
Profit distributed among the certificate holders		(16,342,471)	(19,616)
<b>Net cash generated from financing activities</b>		<b>(81,449,292)</b>	<b>42,853,406</b>
<b>Net increase in cash and cash equivalents</b>		<b>(22,211,604)</b>	<b>(29,616,006)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>77,720,149</b>	<b>78,128,117</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>55,508,545</b>	<b>48,512,110</b>

The attached notes 1 to 20 form an integral part of this condensed interim financial information.

Chief Executive  
Punjab Modaraba Services  
(Private) Limited

Chief Financial officer  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited

Director  
Punjab Modaraba Services  
(Private) Limited



## Notes to the Consolidated Condensed Interim Financial Information (Un-audited)

For the period ended September 30, 2019

### 1 THE GROUP AND ITS OPERATIONS

#### 1.1 The "Group" Consist of :

##### Holding Company

##### - First Punjab Modaraba

Percentage of holding	Percentage of holding	
	Sep-19	Jun-19
<b>Subsidiary Company</b>	<b>100%</b>	<b>100%</b>
Punjab Capital Securities (Pvt.) Limited		

Brief profiles of the holding company and subsidiaries are as follows :

#### 1.2 Status and nature of business

"First Punjab Modaraba (the Group) Comprises First Punjab Modaraba (the Modaraba) and a wholly owned subsidiary, Punjab Capital Securities (Pvt) Limited. First Punjab Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 and rules framed there under and is managed by Punjab Modaraba Services (Private) Limited (wholly owned subsidiary of The Bank of Punjab), a company incorporated in Pakistan. The registered office of the Modaraba is situated at office No. 100, 4th floor, Mega Tower Main Boulevard Gulberg, Lahore. The Modaraba commenced its operations from 23 December 1992. The Modaraba is listed on Pakistan Stock Exchange.

The Modaraba is a perpetual, multi purpose and multi dimensional modaraba and is primarily engaged in the business of ijarah, musharika and morabaha financing, equity investment and other related business in accordance with the injunctions of Islam.

The Modaraba established its wholly owned subsidiary on November 29, 2016 as a private limited Company under the name of Punjb Capital Securities (Pvt) Limited. The Company is mainly engaged in the business of brokerage services, portfolio management and consultancy services.

### 2 Basis of preparation

This consolidated condensed interim financial information is un-audited. This consolidated condensed interim financial information of the Group for the quarter ended September 30, 2019 has been prepared in accordance with the requirements of the international Accounting Standard (IAS)-34 " Interim Financial Reporting".

### 3 Accounting policies

The accounting policies and methods of computation adopted for the preparation of this consolidated condensed financial information are the same as those applied in the preparation of the financial statements of the Modaraba for the preceding year ended 30 June 2019.

### 4 Estimates

The preparation of this consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2019.

	Note	30 September	30 June
		2019	2019
		(Un-audited)	(Audited)
		Rupees	Rupees
<b>5 Tangible fixed assets</b>			
Ijarah assets	5.1	<b>359,659,051</b>	363,711,083
Assets in own use	5.2	<b>4,602,008</b>	4,803,649
		<b>364,261,059</b>	368,514,732



# First Punjab Modaraba

## 5.1 Ijarah assets

September 2019 (Un-Audited)

Description	COST			DEPRECIATION			IMPAIRMENT			NET BOOK VALUE		Depreciation Rate	%
	As at 1 July 2019	Additions	Transfer	As at 30 Sep 2019	Charge for the period	As at 1 July 2019	Transfer	As at 30 Sep 2019	Reversal for the period	Transfer	As at 30 Sep 2019		
Plant and machinery	642,228,970	-	-	642,228,970	513,460,204	3,423,430	-	516,883,634	20,593,102	-	20,593,102	104,752,234	As per term
Vehicle	394,616,063	7,215,000	(3,545,497)	398,285,566	150,684,139	10,702,811	(2,555,666)	158,831,284	1,104,397	-	1,104,397	238,349,885	As per term
Cessna aircraft	13,552,604	-	-	13,552,604	-	-	-	13,552,604	-	-	-	-	As per term
Consumer products	24,105,475	5,080,900	(56,900)	29,127,475	11,595,583	2,243,961	(1,069,001)	12,570,543	-	-	-	16,556,932	As per term
	1,074,501,112	12,295,900	(3,602,397)	1,083,194,615	689,092,530	16,370,202	(3,624,667)	701,839,065	21,697,499	-	21,697,499	359,659,051	

June 2019 (Audited)

Description	COST			DEPRECIATION			IMPAIRMENT			NET BOOK VALUE		Depreciation Rate	%	
	As at 1 July 2018	Additions	Transfer	As at 30 June 2019	Charge for the year	As at 1 July 2018	Transfer	As at 30 June 2019	Reversal for the year	Transfer	As at 30 June 2019			As at 30 June 2019
Plant and machinery	641,915,470	2,343,000	(2,029,500)	642,228,970	505,531,112	9,763,465	(1,834,373)	513,460,204	29,593,102	(9,000,000)	-	20,593,102	108,775,664	As per term
Vehicle	220,786,051	194,220,797	(20,390,785)	394,616,063	110,518,929	42,581,925	(2,416,715)	150,684,139	1,104,397	-	-	1,104,397	242,827,527	As per term
Cessna aircraft	13,552,604	-	-	13,552,604	-	-	-	13,552,604	-	-	-	-	-	As per term
Consumer products	20,608,226	14,021,402	(10,526,153)	24,103,475	10,824,297	10,044,845	(9,473,559)	11,395,583	-	-	-	12,707,892	As per term	
	896,862,351	210,585,199	(52,946,438)	1,074,501,112	640,426,942	62,390,236	(13,724,647)	689,092,530	30,697,499	(9,000,000)	-	21,697,499	363,771,083	

**5.1.1** Transfers represent the assets disposed through negotiation after expiry / termination of Ijarah. However, in view of large number of disposals, detail of each disposal has not been given.



**5.2 Assets in own use**

September 2019 (Un-Audited)

Description	COST			DEPRECIATION			NET BOOK VALUE			Depreciation Rate
	As at 1 July 2019	Additions	Disposal	As at 1 July 2019	Charge for the period	Disposal	As at 30 Sep 2019	As at 30 Sep 2019	As at 30 Sep 2019	
Office Equipment	3,306,762	-	-	2,106,783	88,608	-	2,195,391	1,111,371	1,111,371	15% & 30%
Furniture & Fixtures	2,725,941	-	-	1,362,975	61,847	-	1,424,822	1,301,119	1,301,119	15%
Vehicles	2,174,400	-	-	409,375	15,517	-	424,892	1,749,508	1,749,508	20%
Computer Products	1,175,180	-	-	699,501	35,669	-	735,170	440,010	440,010	30%
	<b>9,382,283</b>	<b>-</b>	<b>-</b>	<b>4,578,634</b>	<b>201,641</b>	<b>-</b>	<b>4,780,275</b>	<b>4,602,008</b>	<b>4,602,008</b>	

June 2019 (Audited)

Description	COST			DEPRECIATION			NET BOOK VALUE			Depreciation Rate
	As at 1 July 2018	Additions	Disposal	As at 1 July 2018	Charge for the year	Disposal	As at 30 June 2019	As at 30 June 2019	As at 30 June 2019	
Office Equipment	3,156,804	285,258	(135,300)	1,823,958	393,908	(111,083)	2,106,783	1,199,979	1,199,979	15% & 30%
Furniture & Fixtures	2,698,441	27,500	-	1,061,259	301,716	-	1,362,975	1,362,966	1,362,966	15%
Vehicles	801,900	1,372,500	-	163,744	245,631	-	409,375	1,765,025	1,765,025	20%
Computers	1,175,180	-	-	495,646	203,855	-	699,501	475,679	475,679	30%
	<b>7832,325</b>	<b>1,685,258</b>	<b>(135,300)</b>	<b>3,544,607</b>	<b>1,145,110</b>	<b>(111,083)</b>	<b>4,578,634</b>	<b>4,803,649</b>	<b>4,803,649</b>	



# First Punjab Modaraba

	<b>Note</b>	<b>30 September 2019 (Un-audited) Rupees</b>	<b>30 June 2019 (Audited) Rupees</b>
<b>6. Intangible assets</b>			
Brokrag Assets	<b>6.1</b>	<b>7,140,225</b>	6,765,726
Computer Software		-	-
Work in progress	<b>6.2</b>	-	-
		<b>7,140,225</b>	6,765,726
<b>6.1</b> Brokrag Assets include trading Rights Entitlement Certificate and Room at LSE Building.			
<b>6.1</b> This Includes advance paid by Modaraba aganst purchase of software.			
<b>7 Long term musharikhah investment - secured</b>			
Long term morabaha investment		<b>808,123,768</b>	866,449,630
Less: Current maturity		<b>(426,140,040)</b>	(483,692,615)
		<b>381,983,728</b>	382,757,015
<b>8 Long term morabaha investment - secured</b>			
Long term morabaha investment		<b>21,256,258</b>	20,036,259
Add: Unearned morabaha income		<b>2,874,268</b>	2,232,204
		<b>24,130,526</b>	22,268,463
Less: Current maturity		<b>(4,671,837)</b>	(13,215,337)
		<b>19,458,689</b>	9,053,126
Less: Provision for doubtful morabaha investment		-	-
Total long term morabaha investment net		<b>19,458,689</b>	9,053,126
<b>9 Short term morabaha investment-secured</b>			
Short term morabaha Investment		<b>490,672,387</b>	525,782,308
Add: Unearned morabaha income		<b>5,921,101</b>	4,575,612
		<b>496,593,488</b>	530,357,920
Less: Provision for doubtful finances		<b>(244,361,379)</b>	(235,561,379)
		<b>252,232,109</b>	294,796,541
<b>10 Current maturity of long term investment</b>			
Musharikhah investment		<b>432,339,853</b>	483,692,615
Less: Provision against Musharikhah Investment		<b>(6,199,813)</b>	(8,709,526)
		<b>426,140,040</b>	474,983,089
Morabaha investment		<b>11,979,993</b>	11,799,993
Less: Provision against morabaha investment		<b>(8,800,000)</b>	(8,800,000)
Add: Unearned morabaha income		<b>1,491,844</b>	1,415,344
		<b>4,671,837</b>	4,415,337
		<b>430,811,877</b>	479,398,426



**11 Long term musharikhah finance-secured**

The Modaraba has availed musharikhah finance facilities from The Bank of Punjab having approved limits of Rs. 1,405 millions (2018: Rs. 1,405 million) maturing latest by 31 October 2019. These facilities are secured by way of first pari passu charge over present and future fixed assets of Modaraba for amount of Rs. 860 million and first pari passu charge over present and future current assets of Modaraba for an amount of Rs. 1,040 million. The estimated share of profit payable on musharikhah facilities is 3 Month's KIBOR per annum (2019: 3 Month's KIBOR per annum).

	<b>30 September 2019 (Un-audited) Rupees</b>	30 June 2019 (Audited) Rupees
<b>12 Profit payable</b>		
Musharikhah finance	<b>39,525,030</b>	34,609,950
Redeemable capital	<b>7,199,497</b>	6,161,700
	<b>46,724,527</b>	40,771,650

**13 Contingencies and commitments**

**13.1 Contingencies**

There are no significant changes in contingent liabilities since the last published financial statements as at June 30, 2019.

**13.2 Commitments**

Musharikhah commitments that have been approved, but not disbursed as on balance sheet date, amount to Rs. 10.010 million. (June 30, 2019 : Rs. 10.85)

	<b>Note</b>	<b>30 September 2019 (Un-audited) Rupees</b>	30 September 2018 (Un-audited) Rupees
<b>14 Finance Cost</b>			
Financial charges on Musharikhah		<b>39,525,030</b>	20,385,890
Redeemable capital		<b>14,077,513</b>	7,380,821
Bank charges		<b>3,458</b>	638
		<b>53,608,297</b>	27,767,349

**15 Taxation**

**Current Tax**

- Current period (16,291) (1,305,515)

**Deferred**

- Relating to origination and reversal of temporary differences 3,641,437 1,516,252

**3,625,146** 210,737



	<b>Note</b>	<b>30 September 2019 (Un-audited) Rupees</b>	<b>30 September 2018 (Un-audited) Rupees</b>
<b>16 Cash flow from operating activities</b>			
Profit / (Loss) for the period		<b>(9,801,685)</b>	7,583,671
Adjustments for:			
Depreciation of ijarah assets		-	12,015,942
Depreciation of assets in own use		<b>201,641</b>	934,622
Gain/Loss on sale of ijarah assets		<b>(398,605)</b>	(1,214,776)
Provision/(Reversal) against Ijarah assets		-	(4,423,484)
Provision/(Reversal) against musharikhah investment		<b>(3,509,713)</b>	-
Profit on musharikhah/morabaha finances		<b>39,530,784</b>	20,385,890
Profit on certificates of musharikhah		<b>14,077,513</b>	7,380,821
		<b>49,901,620</b>	35,079,015
<b>Operating profit before working capital changes</b>		<b>40,099,935</b>	42,662,686
<b>Working capital changes</b>			
(Increase)/decrease in operating assets:			
Morabaha investment		<b>31,902,369</b>	(2,970,000)
Purchase of assets Ijarah assets		<b>(12,295,900)</b>	(77,614,538)
Proceeds from transfer of Ijarah assets		<b>376,335</b>	22,757,899
Ijarah Rental Receivable - net		<b>(3,409,055)</b>	-
Advances, deposits, prepayments and other receivables		<b>(7,912,080)</b>	10,154,724
		<b>8,661,669</b>	(47,671,915)
Increase/(decrease) in operating liabilities:			
Security deposits received		-	-
Security deposits refunded		<b>1,327,913</b>	5,055,000
Trade and other payables		<b>(12,186,261)</b>	(24,211,535)
		<b>(10,858,348)</b>	(19,156,535)
		<b>(2,196,679)</b>	(66,828,450)
Cash generated from operations		<b>37,903,256</b>	(24,165,764)



	<b>30 September 2019 (Un-audited) Rupees</b>	<b>30 June 2019 (Audited) Rupees</b>
<b>17 Transactions with related parties</b>		
<b>17.1 The Bank of Punjab (Holding company of Modaraba's Management Company)</b>		
Musharikhah finances	<b>1,200,514,748</b>	1,223,621,569
Profit payable on Musharikhah finances	<b>39,525,030</b>	34,609,950
Certificates of Musharikhah	<b>403,518,493</b>	400,000,000
Profit payable on Certificates of Musharikhah	<b>7,199,497</b>	5,936,301
<b>17.1.2 Punjab Modaraba Services (Private) Limited Profit distribution</b>	-	-
<b>17.2 Transactions during the period</b>		
	<b>July to September 2019 (Un-Audited) Rupees</b>	<b>July to September 2018 (Un-Audited) Rupees</b>
<b>17.2.1 The Bank of Punjab (Holding company of Modaraba's Management Company)</b>		
Profit charged on finances	<b>39,527,326</b>	20,385,890
Profit charged on certificates of Musharikhah	<b>14,077,513</b>	7,380,821
Bank Charges	<b>3,458</b>	638

**18 Financial risk management**

The Modaraba's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2019.

**19 Date of authorization**

This consolidated interim financial information for the period ended 30 September 2019 was authorized for issue by the Board of Directors of the Management Company on November 08, 2019.

**20 General**

Figures have been rounded off to the nearest rupee.

**Chief Executive**  
Punjab Modaraba Services  
(Private) Limited

**Chief Financial officer**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited

**Director**  
Punjab Modaraba Services  
(Private) Limited





This page has intentionally left blank



## First Punjab Modaraba

Managed By:

**Punjab Modaraba Services (Pvt) Ltd.**

(A wholly owned subsidiary of The Bank of Punjab)

Office No. 100, 3rd Floor, National Tower, 28-Egerton Road, Lahore, Postal Code No. 54000, P A K I S T A N

**Phone:** 042-36365191-93 **Fax:** 042-36365195

**email:** [info@punjabmodaraba.com.pk](mailto:info@punjabmodaraba.com.pk) **Website:** [www.punjabmodaraba.com.pk](http://www.punjabmodaraba.com.pk)