



# **FIRST IBL MODARABA QUARTERLY REPORT MARCH 31, 2020**



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# CORPORATE INFORMATION

Modaraba Management Company

IBL Modaraba Management (Pvt.) Limited

Board of Directors

|                      |                    |
|----------------------|--------------------|
| Arslan Khan Khakwani | Chairman/ Director |
| Ibrahim Hassan Murad | Director           |
| Naveed Amin          | Director           |
| Shiraz Butt          | Director           |

Chief Executive

Shiraz Butt

Company Secretary

Hassan Fareed

Chief Financial Officer

Zeeshan Ahmed

Internal Auditor

Husnain Shafqat

Audit Committee

|                      |          |
|----------------------|----------|
| Naveed Amin          | Chairman |
| Arslan Khan Khakwani | Member   |
| Ibrahim Hassan Murad | Member   |

Sharia'ah Advisor

Dr. Salman Ahmed Khan

Legal Advisor

M/s. Holscott International [Legal Services]

Auditors to Modaraba

M/s. RSM Avas Hayder Liaquat Nauman & Co.  
Chartered Accountants

Bankers

Habib Bank Limited – Islamic Banking  
Meezan Bank Limited  
MCB Islamic Bank Limited

Registrar

Corp Tec Associates (Pvt.) Limited  
503 E, Johar Town, Lahore.

Registered Office

Office No. 513, 5<sup>th</sup> Floor, Alhafeez Business  
Center, 89-b-III, Gulberg 3, Lahore

Principal Office

Office No. **514**, 5<sup>th</sup> Floor, Alhafeez Business  
Center, 89-b-III, Gulberg 3, Lahore.



## DIRECTORS' REPORT

The Board of Directors of M/s IBL Modaraba Management (Private) Limited [IBLMM], the Management Company of First IBL Modaraba [FIBLM], is pleased to present the quarterly results of First IBL Modaraba for the nine month's period ended March 31, 2020 along with a directors' report to its certificate holders.

During the nine month's period ended March 31, 2020, FIBLM recorded/ showed noticeable growth. Against Net profit of Rs. 4.79 million in March 2019 (including reversal of provision of Rs. 8.67 million) amount of net profit of Rs.4.50 million is reported during the nine months period ended March 31, 2020.

Despite of inflationary effects and frequent increase in day to day operational cost, due to efficient control modaraba was able to manage a reduction of 11.86% in 27.87% expenses as compared to the preceding period.

Total assets of FIBLM during the period were maintained at Rs.228.04 million as compare to Rs.229.73 million reported in audited financial statements for the period ended June 30, 2019.

Total liabilities of FIBLM during the period were stood at Rs.35.88 million as compare to Rs.38.76 million reported in audited financial statements for the period ended June 30, 2019.

In current economic condition of the country due to Corona Virus (COVID -19), FIBLM is trying to sustain its profitability in order to give better returns to its certificate holders.

The board would like to express its gratitude to the Securities & Exchange Commission of Pakistan, Registrar Modarabas, State Bank of Pakistan and NBFI & Modaraba Association of Pakistan for providing us their usual support and guidance.

The board appreciates and pays gratitude to its certificate holders and customers for entrusting their confidence on us and assure them maintenance of adequate internal controls, personalize services and also to maintain an ideal environment of good corporate governance in all areas of the activities.

The Board also appreciates team of the Modaraba for their dedication and hard work for the growth of the Modaraba in all areas of its activities.

for & On behalf of  
The Board of Directors of  
IBL Modaraba Management (Pvt.) Limited:



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**Shiraz Butt**  
Chief Executive  
April 28, 2020

### ڈائریکٹرز رپورٹ

میسرز آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ جو کہ فرسٹ آئی بی ایل مضاربہ کی مینجمنٹ کمپنی ہے، کے بورڈ آف ڈائریکٹرز، فرسٹ آئی بی ایل مضاربہ کے نو ماہ کے مالی نتائج معہ دستاویزات، ڈائریکٹرز رپورٹ جو کہ 31 مارچ 2020 کو اختتام پزیر ہوتے ہیں، اپنے سرٹیفکیٹ ہولڈرز کو پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

فرسٹ آئی بی ایل مضاربہ نے گزشتہ نو ماہ پر ختم ہونیوالی مدت 31 مارچ 2020 کے دوران میں خالص منافع میں قابل ذکر ترقی کی۔ 4.79 ملین کے خالص منافع کے مقابلے میں (جس میں 8.67 ملین کی کلاسیفائیڈڈ پورٹ فولیو کی وصولی شامل ہے) نو ماہ پر ختم ہونیوالی مدت 31 مارچ 2020 میں 4.5 ملین روپے کا خالص منافع دیکھایا۔

افراط زر میں بڑھوتری کے باوجود مینجمنٹ کے بہترین کنٹرول کی وجہ سے اخراجات میں پچھلے سال کے مقابلے میں 27.87 فیصد کمی دیکھی گئی۔ فرسٹ آئی بی ایل کے موجودہ اثاثہ جات 228.04 ملین روپے ریکارڈ کیے گئے جو کہ پچھلے مالی سال 30 جون 2019 کو 229.73 ملین روپے تھے۔

موجودہ واجب الادا ذمہ داریاں 35.88 ملین روپے رہی جو کہ پچھلے سال 30 جون 2019 پر 38.76 ملین روپے تھیں۔

کورونا وائرس (کووڈ 19) کی وجہ سے موجودہ ملکی معاشی صورتحال کو مد نظر رکھتے ہوئے فرسٹ آئی بی ایل مضاربہ حتی الامکان کوشش کر رہا ہے کہ وہ آئندہ بھی اپنے سرٹیفکیٹ ہولڈرز کو بہتر مالی نتائج دے۔

آئی بی ایل مضاربہ مینجمنٹ پرائیویٹ لمیٹڈ سیکورٹی اینڈ انکسچینج کمیشن آف پاکستان، رجسٹرڈ مضاربہ، اسٹیٹ بینک آف پاکستان اور این بی ایف آئی اینڈ مضاربہ ایسوسی ایشن آف پاکستان کا ہمیشہ کی طرح حمایت اور راہنمائی کے لیے شکر گزار ہے۔

بورڈ اپنے سرٹیفکیٹ ہولڈرز اور گاہکوں کا انتہائی مشکور ہے۔ جنہوں نے ہم پر بھروسہ کیا اور ہم انکو اندرونی نظام و انتظام و ذاتی توجہ اور احسن کارکردگی کے تمام شعبوں میں مثالی ماحول کو برقرار رکھنے کی یقین دہانی کرواتے ہیں۔

بورڈ مضاربہ کی مینجمنٹ اور کارکنان کی سخت محنت اور لگن جو انہوں نے مضاربہ کے ہر شعبے میں ترقی کے لیے کی ہے کو بھی سراہتا ہے۔

منتظم فرسٹ آئی بی ایل مضاربہ



شیراز بٹ

چیف ایگزیکٹو

مورخہ 28 اپریل، 2020

## FIRST IBL MODARABA

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

|   | Note | March 2020<br>Rupees | June 2019<br>Rupees |
|---|------|----------------------|---------------------|
| <b>ASSETS</b>                               |      |                      |                     |
| <b>Current Assets</b>                       |      |                      |                     |
| Bank balances                               |      | 42,391,448           | 32,047,734          |
| Ijarah rentals receivable                   | 3    | 1,232,299            | 1,300,470           |
| Advances, prepayments and other receivables | 4    | 8,278,953            | 13,054,147          |
| Short term investments                      | 5    | 29,629,754           | 2,548,212           |
| Musharaka receivables                       |      | 8,000,000            | -                   |
| Current portion of musharikhah receivable   |      | 23,284,737           | 50,705,110          |
|   |      | 112,817,191          | 99,655,673          |
| <b>Non-Current Assets</b>                   |      |                      |                     |
| Long term musharikhah receivables           |      | 18,448,452           | 20,179,814          |
| Long term advances and deposits             |      | 2,619,260            | 2,619,260           |
| Investment property                         | 6    | 63,333,613           | 67,083,634          |
| Fixed assets under ijarah arrangements      | 7    | 28,182,315           | 36,846,759          |
| Fixed assets under own use                  | 8    | 2,646,210            | 3,348,799           |
|   |      | 115,229,850          | 130,078,266         |
| <b>Total Assets</b>                         |      | <b>228,047,041</b>   | <b>229,733,939</b>  |
| <b>LIABILITIES</b>                          |      |                      |                     |
| <b>Current Liabilities</b>                  |      |                      |                     |
| Creditors, accrued and other liabilities    |      | 520,431              | 1,773,892           |
| Musharaka profit payable                    |      | 1,430,192            | 1,430,192           |
| Musharaka finances                          |      | 700,000              | 700,000             |
| Current portion of non-current liabilities  |      | 18,022,380           | 14,372,460          |
| Unpresented profit warrants                 |      | 10,670,220           | 10,480,524          |
|   |      | 31,343,223           | 28,757,068          |
| <b>Non-Current Liabilities</b>              |      |                      |                     |
| Long term security deposits                 |      | 4,539,600            | 10,011,110          |
|   |      | 4,539,600            | 10,011,110          |
| <b>Total Liabilities</b>                    |      | <b>35,882,823</b>    | <b>38,768,178</b>   |
| <b>NET ASSETS</b>                           |      | <b>192,164,217</b>   | <b>190,965,761</b>  |
| <b>REPRESENTED BY:</b>                      |      |                      |                     |
| Certificate capital                         | 9    | 216,875,000          | 216,875,000         |
| Reserves                                    |      | 46,466,672           | 46,305,510          |
| Accumulated loss                            |      | (71,177,455)         | (72,214,749)        |
| Contingencies and commitments               |      | -                    | -                   |
|   |      | 192,164,217          | 190,965,761         |

The annexed notes form an integral part of these financial statements.

**S/D**  
**Chief Executive**

**S/D**  
**Director**

**S/D**  
**Director**



**FIRST IBL MODARABA**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

|  | Quarter ended    |                  | Nine months ended |                  |
|--|------------------|------------------|-------------------|------------------|
|  | March 31, 2020   | March 31, 2019   | March 31, 2020    | March 31, 2019   |
| <b>"Rupees"</b>  |                  |                  |                   |                  |
| <b>INCOME FROM OPERATIONS</b>                              |                  |                  |                   |                  |
| Income from ijarah   | 1,760,470        | 2,192,617        | 6,399,480         | 7,110,456        |
| Profit on murabaha investment                              | -                | -                | -                 | 14,734           |
| Profit on musharaka investments                            | 3,547,407        | 2,631,114        | 8,621,303         | 5,775,255        |
| Income from investment property                            | 1,873,860        | 1,873,860        | 5,621,580         | 5,621,580        |
| Profit on deposits   | 464,026          | 153              | 954,263           | 352,376          |
|  | 7,645,763        | 6,697,743        | 21,596,626        | 18,874,400       |
| <b>OTHER INCOME</b>  |                  |                  |                   |                  |
| Reversal of musharaka profit held in suspense account      | -                | 8,639,675        | -                 | 8,671,963        |
| Other income   | -                | 177,473          | 563,190           | 1,722,506        |
|  | -                | 8,817,148        | 563,190           | 10,394,469       |
| <b>TOTAL INCOME</b>  | 7,645,763        | 15,514,891       | 22,159,816        | 29,268,869       |
| <b>EXPENSES</b>  |                  |                  |                   |                  |
| Operating expenses   | (4,201,800)      | (4,182,797)      | (12,325,585)      | (13,984,866)     |
| Depreciation on assets under ijarah                        | (1,447,976)      | (3,407,962)      | (5,197,411)       | (10,226,623)     |
| Other operating expenses                                   | (129,981)        | (668,061)        | (129,527)         | (262,798)        |
|  | (5,779,757)      | (8,258,820)      | (17,652,523)      | (24,474,287)     |
| <b>Profit before Tax</b>                                   | 1,866,007        | 7,256,071        | 4,507,294         | 4,794,582        |
| Taxation   | -                | -                | -                 | -                |
| <b>Net Profit for the Period</b>                           | <b>1,866,007</b> | <b>7,256,071</b> | <b>4,507,294</b>  | <b>4,794,582</b> |
| <b>Profit per Modaraba Certificate - Basic and Diluted</b> | <b>0.086</b>     | <b>0.335</b>     | <b>0.208</b>      | <b>0.221</b>     |

The annexed notes form an integral part of these condensed interim financial information (un-audited).

S/D

Chief Executive

S/D

Director

S/D

Director

**FIRST IBL MODARABA**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

|   | Quarter Ended    |                  | Nine months ended |                  |
|---|------------------|------------------|-------------------|------------------|
|   | March 31, 2020   | March 31, 2019   | March 31, 2020    | March 31, 2019   |
|   | <b>"Rupees"</b>  |                  |                   |                  |
| <b>Net Profit/ (Loss) for the Period</b>                                | 1,866,006        | 7,256,071        | 4,507,294         | 4,794,582        |
| <i>Other comprehensive income</i>                                       |                  |                  |                   |                  |
| <b>Items that may be reclassified subsequently to profit and loss</b>   |                  |                  |                   |                  |
| Net unrealized gain / (loss) in value of available for sale investments | (499,452)        | (137,199)        | 161,162           | (1,608,017)      |
|   | (499,452)        | (137,199)        | 161,162           | (1,608,017)      |
| <b>Total Comprehensive Income for the Period</b>                        | <b>1,366,554</b> | <b>7,118,872</b> | <b>4,668,456</b>  | <b>3,186,565</b> |

The annexed notes form an integral part of these condensed interim financial information (un-audited).

**S/D**  
**Chief Executive**

**S/D**  
**Director**

**S/D**  
**Director**

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

|  | March 2020               | June 2019                |
|--|--------------------------|--------------------------|
|  | Rupees                   | Rupees                   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                    |                          |                          |
| Profit before tax  | 4,507,294                | 43,043                   |
| Adjustments for:   |                          |                          |
| - Depreciation on fixed assets under own use                                   | 730,089                  | 616,371                  |
| - Depreciation on investment properties  | 3,750,021                | 5,000,028                |
| - Depreciation on fixed assets under ijarah arrangements                       | 5,197,411                | 13,631,214               |
| - Gain on disposal of fixed assets under own use                               | 2,200                    | (46,641)                 |
| - Reversal of musharika profit held in suspense account                        | -                        | 77,323                   |
| - Revaluation loss / (gain) on investment at fair value through profit or loss | 79,620                   | 290,284                  |
| - Gain on termination of ijarah arrangements                                   | 174,179                  | (184,478)                |
| - Profit on bank deposits  | (954,263)                | (144,550)                |
|  | <u>8,979,257</u>         | <u>19,239,551</u>        |
| <b>Operating profit before working capital changes</b>                         | 13,486,550               | 19,282,594               |
| <b>(Increase) / Decrease in operating assets and liabilities</b>               |                          |                          |
| Advances, prepayments and other receivables                                    | 4,969,621                | 1,170,787                |
| Ijarah rentals receivable  | 68,171                   | (62,748)                 |
| Longterm musharaka receivables   | -                        | 15,436,995               |
| Shortterm musharaka receivables  | 21,151,739               | (10,978,976)             |
| Murabaha receivable  | -                        | (500,000)                |
| Long term security deposits - ijarah   | (1,821,590)              | 3,867,130                |
| Creditors, accrued and other liabilities                                       | (1,253,461)              | (445,678)                |
|  | <u>23,114,480</u>        | <u>8,487,510</u>         |
| <b>Cash generated from operations</b>  | 36,601,031               | 27,770,104               |
| Income taxes paid  | (194,427)                | (84,199)                 |
| <b>Net Cash generated from Operating Activities</b>                            | <u>36,406,604</u>        | <u>27,685,905</u>        |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                     |                          |                          |
| Purchase of fixed assets under ijarah  | -                        | (14,103,900)             |
| Purchase of fixed assets under own use   | (27,500)                 | (148,010)                |
| Capital work in progress   | -                        | (752,000)                |
| Proceeds from disposal of fixed assets under own use                           | -                        | 46,641                   |
| Proceeds from disposal of assets on terminating ijarahs                        | 3,480,346                | 2,812,245                |
| Short term investments   | (27,000,000)             |                          |
| Profit on deposits   | 954,263                  | 144,550                  |
| <b>Net Cash used in Investing Activities</b>                                   | (22,592,891)             | (12,000,474)             |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                     |                          |                          |
| Dividends paid   | (3,470,000)              | (6,099,114)              |
| <b>Net Cash used in Financing Activities</b>                                   | <u>(3,470,000)</u>       | <u>(6,099,114)</u>       |
| <b>Net (Decrease) in Cash and Cash Equivalents</b>                             | 10,343,713               | 9,586,317                |
| Cash and cash equivalents at the beginning of the period                       | 32,047,734               | 13,917,457               |
| <b>Cash and Cash Equivalents at the end of the Period</b>                      | <u><u>42,391,448</u></u> | <u><u>23,503,774</u></u> |

The annexed notes form an integral part of these condensed interim financial information (un-audited).

**S/D**  
**Chief Executive**

**S/D**  
**Director**

**S/D**  
**Director**



**FIRST IBL MODARABA**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED MARCH 31, 2020**

| Particulars                             | Certificate Capital | Reserves          |  |             | Accumulated loss | Total Equity |
|---|---------------------|-------------------|--|-------------|------------------|--------------|
|   |                     | Statutory reserve | Unrealized gain on revaluation of available for sale investments | Subtotal    |                  |              |
|   |                     |                   |  |             |                  |              |
| Balance as at June 30, 2018             | 216,875,000         | 43,068,493        | 5,317,207  | 48,385,700  | (75,981,293)     | 189,279,407  |
| Comprehensive income for the year       |                     |                   |  |             |                  |              |
| Net profit for the year                 | -                   | -                 | -  |             | 4,708,180        | 4,708,180    |
| Other comprehensive income for the year | -                   | -                 | (3,021,826)  | (3,021,826) | -                | (3,021,826)  |
| Total comprehensive income for the year | -                   | -                 | (3,021,826)  | (3,021,826) | 4,708,180        | 1,686,354    |
| Transferred to statutory reserve        | -                   | 941,636           | -  | 941,636     | (941,636)        | -            |
| Balance as at June 30, 2019             | 216,875,000         | 44,010,129        | 2,295,381  | 46,305,510  | (72,214,749)     | 190,965,761  |
| Comprehensive income for the period     |                     |                   |  |             |                  |              |
| Net profit for the period               | -                   | -                 | -  |             | 4,507,294        | 4,507,294    |
| Other comprehensive loss for the period | -                   | -                 | 161,162  | 161,162     | -                | 161,162      |
| Total comprehensive loss for the period | -                   | -                 | 161,162  | 161,162     | 4,507,294        | 4,668,456    |
| Profit distribution for the year 2019   |                     |                   |  |             | (3,470,000)      | (3,470,000)  |
| Balance as at March 31, 2020            | 216,875,000         | 44,010,129        | 2,456,543  | 46,466,672  | (71,177,455)     | 192,164,219  |

The annexed notes form an integral part of these financial statements.

**S/D**

**Chief Executive**

**S/D**

**Director**

**S/D**

**Director**

**FIRST IBL MODARABA**  
**NOTES TO THE CONDENSED INTERIM**  
**FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

**Note 1**

The accounting policies adopted for the preparation of these financial statements are consistent with those applied for the preparation of preceding annual publishing accounts.

**Note 2**

These unaudited financial statements have been prepared and circulated under the directives of Securities and Exchange Commission of Pakistan.

**Note 3****Ijarah Rentals Receivable**

|                        |     | <b>March<br/>2020</b><br>(Un-audited) | <b>June<br/>2019</b><br>(Audited) |
|------------------------|-----|---------------------------------------|-----------------------------------|
|                        |     | <b>"Rupees"</b>                       |                                   |
| Considered good        |     | 1,232,299                             | 1,300,470                         |
| Considered doubtful    | 3.1 | 9,700,570                             | 9,876,185                         |
|                        |     | 10,932,869                            | 11,176,655                        |
| Accumulated impairment |     | (9,700,570)                           | (9,876,185)                       |
|                        |     | <b>1,232,299</b>                      | <b>1,300,470</b>                  |

**3.1** This represent rentals receivable against assets leased out under ijarah arrangements.

**3.2** Movement in accumulated impairment is as follows:

|  |                  |                  |
|--|------------------|------------------|
| As at the beginning of the period / year | 9,876,185        | 8,902,560        |
| Recognized during the period / year      | 435,145          | 1,060,210        |
| Reversed during the period / year        | (610,760)        | (86,585)         |
|  | (175,615)        | 973,625          |
| As at end of the period / year           | <b>9,700,570</b> | <b>9,876,185</b> |

**Note 4****Advances, Prepayments and Other Receivables**

|  |                  |                   |
|--|------------------|-------------------|
| Advance income tax                           | 1,405,637        | 1,211,210         |
| Advance against                              | 570,544          | 572,492           |
| Prepayments                                  | 176,689          | 405,341           |
|  | 2,152,870        | 2,189,043         |
| Accrued profit:                              |                  |                   |
| - Profit receivable on musharaka receivables | 4,584,907        | 5,059,164         |
| - Less: Profit held in suspense account      | (1,969,089)      | (1,969,089)       |
|  | 2,615,818        | 3,090,075         |
| Accrued profit on murabaha receivable        | -                | -                 |
| Other receivables:                           |                  |                   |
| - Others                                     | 3,510,265        | 7,775,029         |
|  | 3,510,265        | 7,775,029         |
|  | <b>8,278,953</b> | <b>13,054,147</b> |

#DIV/0!

**Note 5****Short Term Investment**

|  |     |                   |                  |
|--|-----|-------------------|------------------|
| Available for sale                                     | 5.1 | 2,456,585         | 2,295,423        |
| At fair value through profit or loss                   | 5.2 | 173,169           | 252,789          |
| Investments in Term Deposit Receipts- Held to Maturity |     | 27,000,000        | -                |
|  |     | <b>29,629,754</b> | <b>2,548,212</b> |

**5.1 Available for sale**

| (Un-audited)<br>March 31,<br>2020 | (Audited)<br>June 30,<br>2019 | Name of entity |
|-----------------------------------|-------------------------------|----------------|
|-----------------------------------|-------------------------------|----------------|

**No. of shares/ Certificates**

Holdings are in ordinary certificates / shares of Rupees 10 each.

|               |               |                            |                  |                  |
|---------------|---------------|----------------------------|------------------|------------------|
| 15,662        | 15,662        | The Searle Company Limited | 2,456,585        | 2,295,423        |
| <b>15,662</b> | <b>15,662</b> |                            | <b>2,456,585</b> | <b>2,295,423</b> |

## FIRST IBL MODARABA

Notes to the condensed interim Financial Information (Un-audited)

### 5.2 At fair value through profit or loss

| (Un-audited)<br>March 31,<br>2020 | (Audited)<br>June 30,<br>2019 | Name of entity |
|-----------------------------------|-------------------------------|----------------|
|-----------------------------------|-------------------------------|----------------|

#### No. of shares/ Certificates

Holdings are in ordinary certificates / shares of Rupees 10 each.

|                |                |                         |
|----------------|----------------|-------------------------|
| 200            | 200            | Attock Refinery Limited |
| 100,000        | 100,000        | First Punjab Modaraba   |
| 219            | 219            | IBL Healthcare          |
| <u>100,419</u> | <u>100,419</u> |                         |

| (Un-audited)<br>March<br>2020 | (Audited)<br>June<br>2019 |
|-------------------------------|---------------------------|
| <b>"Rupees"</b>               |                           |
| 13,282                        | 15,454                    |
| 150,000                       | 230,000                   |
| 9,887                         | 7,335                     |
| <u>173,169</u>                | <u>252,789</u>            |

## Note 6

### Investment Property

#### Cost

Opening balance

Additions

Closing balance

|                    |                    |
|--------------------|--------------------|
| 100,000,465        | 100,000,465        |
| -                  | -                  |
| <u>100,000,465</u> | <u>100,000,465</u> |

#### Accumulated Depreciation

Opening balance

Charged during the period / year

Closing balance

6.1

|                     |                     |
|---------------------|---------------------|
| (32,916,831)        | (27,916,803)        |
| (3,750,021)         | (5,000,028)         |
| <u>(36,666,852)</u> | <u>(32,916,831)</u> |
| <u>63,333,613</u>   | <u>67,083,634</u>   |

6.1 The Modaraba depreciates its investment property on straight line basis @ 5% per annum.

## Note 7

### Fixed Assets Under Ijarah Arrangements

Written down value at the beginning of the period / year

Additions at cost

Less: Written down value of assets disposed off

Less: Depreciation charged during the period / year

|                    |                     |
|--------------------|---------------------|
| 36,846,759         | 40,132,004          |
| -                  | 10,956,000          |
| <u>(3,467,033)</u> | <u>(1,446,182)</u>  |
| 33,379,726         | 49,641,822          |
| <u>(5,197,411)</u> | <u>(12,795,063)</u> |
| <u>28,182,315</u>  | <u>36,846,759</u>   |

## Note 8

### Fixed Assets Under Own Use

Written down value at the beginning of the period / year

Capital work in progress

Additions at cost

Less: Written down value of assets disposed off

Less: Depreciation charged during the period / year

|                  |                  |
|------------------|------------------|
| 3,348,799        | 2,250,284        |
| -                | -                |
| 27,500           | 2,093,500        |
| <u>-</u>         | <u>(74,422)</u>  |
| 3,376,299        | 4,269,362        |
| <u>(730,089)</u> | <u>(920,563)</u> |
| <u>2,646,210</u> | <u>3,348,799</u> |



**Note 9****Certificate Capital**

| March 31,<br>2020<br>(Un-audited) | June 30,<br>2019<br>(Audited) |   | March<br>2020<br>(Un-audited)<br>Rupees | June<br>2019<br>(Audited)<br>Rupees |
|-----------------------------------|-------------------------------|---|---|-------------------------------------|
| Authorized:                       |                               |   |   |                                     |
| <u>50,000,000</u>                 | <u>50,000,000</u>             | Modaraba Certificates of Rs. 10 each                              | <u>500,000,000</u>                      | <u>500,000,000</u>                  |
| Issued, subscribed and paid-up:   |                               |   |   |                                     |
| 20,000,000                        | 20,000,000                    | Modaraba Certificates of Rs. 10 each issued as fully paid in cash | 200,000,000                             | 200,000,000                         |
| 1,687,500                         | 1,687,500                     | Modaraba Certificates of Rs. 10 each issued as fully paid bonus   | 16,875,000                              | 16,875,000                          |
| <u>21,687,500</u>                 | <u>21,687,500</u>             |   | <u>216,875,000</u>                      | <u>216,875,000</u>                  |

**9.1** There was no movement in certificate capital during the period/year.

**9.2** Certificates of the Modaraba held by associates / related parties are as under:

|                  |                  |   |                   |                   |
|------------------|------------------|---|-------------------|-------------------|
| 2,030,905        | 2,030,905        | IBL Modaraba Management (Private) Limited | 20,309,050        | 20,309,050        |
| <u>3,070,000</u> | <u>3,070,000</u> | University of Management and Technology   | <u>30,700,000</u> | <u>30,700,000</u> |
| <u>5,100,905</u> | <u>5,100,905</u> |   | <u>51,009,050</u> | <u>51,009,050</u> |

**9.3** IBL Modaraba Management (Private) Limited (the Management Company) holds 2,030,905 (June 30, 2019: 2,030,905) certificates of Rs. 10 each.

**Note 10****Contingencies and Commitments****10.1 Contingencies**

There were no known contingencies as at March 31, 2020 (June 30, 2019: Nil).

**10.2 Commitments**

The Modaraba has not made any capital commitments as at March 31, 2020 (June 30, 2019 : Nil).

**Note 11****RELATED PARTY TRANSACTIONS**

The related parties of the Modaraba comprise of its Management Company, major certificate holders of the Modaraba and their close family members, directors of the management company and their close family members and entities with common directors or under common management.

| Transactions during the period                   | Relationship   | March 31, 2020        | March 31, 2019        |
|--|--|-----------------------|-----------------------|
| <b>IBL Modaraba Management (Private) Limited</b> |  |                       |                       |
| Management fee paid during the period            | Management Company                                   | 223,131               | 4,783                 |
| <b>University of Management &amp; Technology</b> |  |                       |                       |
| Rent of library building                         | Holds 14.15% of the paid up certificates of Modaraba | 5,621,580             | 5,621,580             |
| <b>Outstanding Balance:</b>                      |  | <b>March 31, 2020</b> | <b>March 31, 2019</b> |
| Short term borrowing                             |  | -                     | (15,000,000)          |

## Note 12

### Segment Analysis

#### 12.1 Geographical segments

The Modaraba's assets are employed and its income is derived in Pakistan.

#### 12.2 Business segments

##### Murabaha receivable

| March 31, 2020 |   | June 30, 2019 |   |
|----------------|---|---------------|---|
| Rupees         | % | Rupees        | % |

##### Musharaka receivable

|                   |                   |             |                   |             |
|-------------------|-------------------|-------------|-------------------|-------------|
| Media advertising | 25,761,738        | 51.80%      | 25,671,911        | 36.22%      |
| Construction      | 13,356,499        | 26.86%      | 18,341,076        | 25.87%      |
| Individuals       | 10,614,953        | 21.34%      | 26,871,937        | 37.91%      |
|                   | <b>49,733,189</b> | <b>100%</b> | <b>70,884,924</b> | <b>100%</b> |
|                   | -                 |             | -                 |             |

##### Ijarah receivable

|             |                  |             |                  |             |
|-------------|------------------|-------------|------------------|-------------|
| Individuals | 317,800          | 25.79%      | 1,061,935        | 81.66%      |
| Others      | 914,499          | 74.21%      | 238,535          | 18.34%      |
|             | <b>1,232,299</b> | <b>100%</b> | <b>1,300,470</b> | <b>100%</b> |
|             | -                |             | -                |             |

##### Investment in ijarah under (IFAS-2)

|                             |                   |             |                   |             |
|-----------------------------|-------------------|-------------|-------------------|-------------|
| Individuals                 | 17,693,557        | 62.78%      | 24,772,289        | 67%         |
| Medical and pharmaceuticals | 1,439,766         | 5.11%       | 1,439,766         | 3.91%       |
| Media advertising           | 3,560,004         | 12.63%      | 3,560,002         | 9.66%       |
| Leasing                     | 283,905           | 1.01%       | 283,905           | 0.77%       |
| Hotel                       | 120,000           | 0.43%       | 120,000           | 0.33%       |
| Engineering                 | 60,000            | 0.21%       | 60,000            | 0.16%       |
| Others                      | 5,025,083         | 17.83%      | 6,610,817         | 17.94%      |
|                             | <b>28,182,315</b> | <b>100%</b> | <b>36,846,779</b> | <b>100%</b> |

## Note 13

### Date of Authorization for Issue

These financial statements were authorized for issue on April 28, 2020 by the Board of Directors of IBL Modaraba Management (Private) Limited (the Management Company).

## Note 14

### General

Corresponding figures have been rearranged, wherever necessary during the period. No material rearrangements were made in these financial statements.

S/D

Chief Executive

S/D

Director

S/D

Director