



**FIRST IBL MODARABA**

**QUARTERLY REPORT  
FOR THE PERIOD ENDED  
SEPTEMBER 30, 2020**

# Corporate Information

Modaraba Management Company	IBL Modaraba Management (Pvt.) Limited	
Board of Directors	Arslan Khan Khakwani Ibrahim Hassan Murad Naveed Amin Shiraz Butt	Chairman Director Director Director
Chief Executive	Shiraz Butt	
Company Secretary	Hassan Fareed	
Chief Financial Officer	Zeeshan Ahmed	
Internal Auditor	Husnain Shafqat	
Audit Committee	Naveed Amin Arslan Khan Khakwani Ibrahim Hassan Murad	Chairman Member Member
Sharia'ah Advisor	Dr. Salman Ahmed Khan	
Legal Advisor	M/s. Holscott International [Legal services]	
Bankers	Habib Bank Limited – Islamic Banking Meezan Bank Limited MCB Islamic Bank Limited The Bank of Punjab - Taqwa	
Registrar	Corp Tec Associates (Pvt.) Limited 503 E, Johar Town, Lahore.	
Registered/ Principal Office	Office No.412, 4 <sup>th</sup> Floor, 89/B-3, Al Hafeez Business Center, Gulberg 3, Lahore.	

## **Directors' Report**

On behalf of Board of Directors of IBL Modaraba Management (Pvt.) Ltd, the management company of First IBL Modaraba (FBLM), I am pleased to present Quarterly report with unaudited financial statements of FIBLM for the 1<sup>st</sup> quarter ended September 30, 2020.

Segment wise contribution of operating income is as follows:

<b>Segment</b>	<b>Contribution %</b>
Income from ijarah	21.70%
Profit on musharaka investments	43.78%
Income from investment property	34.20
Profit on deposit	0.33%

We are pleased to report that despite of inflationary effect and increase in overhead cost nationwide, modaraba managed to reduce its operating expenses by 7.22%.

Total expenses were booked amounting to Rs.6.667 million as compared to Rs.6.068 million in the corresponding period. Increase in total expense is due to payment of finance cost of Rs.1.069 million against musharikhah financing.

During the quarter under review, total assets of Modaraba were stood at Rs.227.31 million as compared to Rs.229.05 million with total liabilities at Rs.35.24 million as compared to Rs.36.73 million in the preceding period.

The Corona Virus (COVID-19) outbreak has rattled the financial markets and financial institutions all over the world and due to anticipated second wave of Pandemic by the government officials; upcoming period of financial year is quite unpredictable.

Despite of tough environment for the business, the management is focused and committed to enhance the profitability and is putting its best efforts through working on improved / new business ideas based on modern technological business methodologies.

I would like to express my gratitude to the Securities & Exchange Commission of Pakistan, Registrar Modarabas, State Bank of Pakistan and NBF1 & Modaraba Association of Pakistan for providing us their usual support and guidance. The board appreciates and pays gratitude to the certificate holders and customers for entrusting their confidence on us and we assure them maintenance of adequate internal controls, providing personalize services and also to maintain an ideal environment of good corporate governance in all areas of the activities.

Finally the board appreciates the dedication and hard work put in by the management of First IBL Modaraba.

for & on behalf of the Board,

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**Shiraz Butt**

Chief Executive Officer  
October 29, 2020

## ڈائریکٹرز رپورٹ

میں، بورڈ آف ڈائریکٹرز کی طرف سے آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ جو کہ فرسٹ آئی بی ایل مضاربہ کی مینجمنٹ کمپنی ہے 30 ستمبر 2020 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے، غیر تصدیق شدہ مالیاتی دستاویزات مع ڈائریکٹرز رپورٹ، اپنے سرٹیفکیٹ ہولڈرز کو پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

طبقات کے حساب سے آمدن کی تفصیلات درج ذیل ہیں۔

طبقات	شراکت
اجارہ سے آمدن	21.70%
مشارکہ سے آمدن	43.78%
سرمایہ کاری کی جائیداد سے آمدن	34.20%
ڈپازٹ سے آمدن	0.33%

ملک میں بڑھتی ہوئی افراط زر کی شرح میں اور آپریشنل اخراجات میں اضافے کے باوجود، مضاربہ کے آپریٹنگ اخراجات میں 7.22% کمی ہوئی۔

ٹوٹل اخراجات 6.667 ملین روپے ہوئے جو کہ پچھلے سال 6.089 ملین روپے تھے۔ اسکی بنیادی وجہ مشارکہ فنانسنگ کے عوض پرافٹ کی 1.069 ملین کی ادائیگی تھی۔

اس سہ ماہی کے دوران مضاربہ کے اثاثہ جات 227.31 ملین روپے جو کہ پچھلے مالی سال میں 229.05 ملین روپے تھے جبکہ مالیاتی ذمہ داریاں 35.24 ملین روپے رہیں جو کہ گذشتہ مالی سال میں 36.73 ملین روپے تھیں۔

کرونا وائرس نے پوری دنیا کے مالیاتی اداروں کے حالات کو جھنجھوڑ کر رکھ دیا ہے۔ سرکاری اعداد و شمار کے مطابق پینامیڈک کی دوسری غیر متوقع لہر کی وجہ سے آئی بی ایل سال کے حالات غیر متوقع ہیں۔

سخت کاروباری حالات کے باوجود انتظامیہ نے تمام تر توجہ آمدن میں اضافے پر رکھی اور اس کے لیے نئے کاروباری منصوبے، جدید کاروباری طریقہ کار کی عمل درآمدگی کو مقصد بنایا۔

آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کا بورڈ، سیکورٹی اینڈ ایگزیکٹو کمیشن آف پاکستان، رجسٹرار مضاربہ، اسٹیٹ بینک آف پاکستان اور ایف آئی اینڈ مضاربہ ایسوسی ایشن آف پاکستان کا، انکی ہمیشہ کی طرح حمایت اور رہنمائی کیلئے شکر گزار ہے۔

بورڈ اپنے سرٹیفکیٹ ہولڈرز اور گاہکوں کا نہایت مشکور ہے۔ جنہوں نے ہم پر بھروسہ کیا اور ان کو اندرونی نظام و ذاتی توجہ اور کارپوریٹ گورننس کے تمام شعبوں میں مثالی ماحول کو برقرار رکھنے کی یقین دہانی کرواتا ہے۔

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

منتظم فرسٹ آئی بی ایل مضاربہ

شیراز بٹ

چیف ایگزیکٹو آفیسر

29 اکتوبر 2020

**FIRST IBL MODARABA**  
**BALANCE SHEET**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30, 2020 Rupees	June 30, 2020 Rupees
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank balances		38,076,803	44,158,744
Ijarah rentals receivable		296,619	1,236,779
Advances, prepayments and other receivables	3	6,898,252	8,361,685
Short term investments	4	4,282,005	3,355,166
Short term musharikhah receivables		8,000,000	8,000,000
Current portion of long term musharikhah receivables		34,617,644	27,239,348
		92,171,323	92,351,722
<b>Non-Current Assets</b>			
Long term musharikhah receivables		43,802,391	42,627,904
Long term advances and deposits		2,619,260	2,619,260
Investment property		60,833,599	62,083,606
Fixed assets under ijarah arrangements		25,718,026	26,969,167
Fixed assets under own use		2,175,215	2,407,797
		135,148,491	136,707,734
<b>Total Assets</b>		<u>227,319,814</u>	<u>229,059,455</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Creditors, accrued and other liabilities	5	1,316,742	1,373,541
Short term borrowing		-	-
Musharaka profit payable		-	1,430,192
Musharaka finances		700,000	700,000
Current portion of non-current liabilities		21,621,980	18,889,980
Deferred murabah income		-	-
Unpresented profit warrants		10,670,220	10,670,220
		34,308,942	33,063,933
<b>Non-Current Liabilities</b>			
Long term security deposits		940,000	3,672,000
		940,000	3,672,000
<b>Total Liabilities</b>		<u>35,248,942</u>	<u>36,735,933</u>
<b>NET ASSETS</b>		<u>192,070,872</u>	<u>192,323,522</u>
<b>REPRESENTED BY:</b>			
Certificate capital		216,875,000	216,875,000
Reserves		48,824,984	47,930,997
Accumulated loss		(73,629,112)	(72,482,474)
Contingencies and commitments		-	-
		<u>192,070,872</u>	<u>192,323,523</u>

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

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

# FIRST IBL MODARABA

## PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	Rupees	Rupees
<b>INCOME FROM OPERATION</b>		
Income from ijarah	1,188,845	2,926,897
Profit on musharaka investments	2,398,794	1,844,592
Income from investment property	1,873,860	1,873,860
Profit on bank deposits	18,187	391,023
	5,479,686	7,036,372
<b>OTHER INCOME</b>		
Other income	41,472	453,920
	41,472	453,920
<b>TOTAL INCOME</b>	<b>5,521,158</b>	<b>7,490,292</b>
<b>EXPENSES</b>		
Operating expenses	(3,693,018)	(3,980,555)
Depreciation on assets under ijarah	(1,251,141)	(2,039,312)
Other operating expenses	(653,831)	(48,835)
Finance cost	(1,069,808)	-
	(6,667,798)	(6,068,702)
(Loss)/ Profit before Modaraba Company's management fee	(1,146,640)	1,421,590
<b>Net (loss) / Profit for the period</b>	<b>(1,146,640)</b>	<b>1,421,590</b>
Earnings per Modaraba Certificate - Basic and Diluted	(0.05)	0.07

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

CHIEF EXECUTIVE

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# FIRST IBL MODARABA

## STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	Rupees	Rupees
<b>Net (Loss)/ Profit for the period</b>	(1,146,640)	1,421,590
<b><i>Other comprehensive income</i></b>		
<b>Items that may be reclassified subsequently to profit and loss</b>		
Unrealized Profit/ (loss) in value of available for sale investments	893,987	(130,621)
Other comprehensive loss for the period	893,987	(130,621)
<b>Total Comprehensive Loss for the period</b>	(252,653)	1,290,969

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

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# FIRST IBL MODARABA

## CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	<b>September 30, 2020</b>	<b>September 30, 2019</b>
	Rupees	Rupees
<b>(Loss)/ Profit for the period</b>	(1,146,640)	1,421,590
Adjustment for:		
- Depreciation on fixed assets under own use	232,581	246,927
- Depreciation on investment property	1,250,007	1,250,007
- Depreciation on fixed assets under ijarah arrangements	1,251,141	2,039,312
- Provision/ (Reversal) of musharaka profit held in suspense account	653,831	-
- Ijarah rental held in suspense account	217,220	-
- Revaluation gain on investment at fair value through profit or loss	(32,852)	28,885
- Finance cost	1,069,808	-
- Gain on termination of ijarah arrangements	-	(73,544)
- Profit on term deposit receipts and bank deposits	(18,187)	(391,023)
	<u>4,623,549</u>	<u>3,100,564</u>
<b>Operating profit before working capital changes</b>	3,476,909	4,522,154
Decrease / (Increase) in operating assets:		
- Advances, prepayments and other receivables	905,939	487,335
- Ijarah rentals receivable	722,940	(410,295)
- Musharaka receivables	(8,552,781)	(10,528,059)
Increase/ (Decrease) in operating liabilities:		
- Long term security deposits	-	(1,161,590)
- Profit payable on musharikhah	(1,430,192)	-
- Creditors, accrued and other liabilities	(56,799)	(514,724)
	<u>(8,410,893)</u>	<u>(12,127,333)</u>
<b>Net changes in working capital</b>	(8,410,893)	(12,127,333)
<b>Cash generated from operations</b>	<u>(4,933,984)</u>	<u>(7,605,179)</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash generated from operations</b>	(4,933,984)	(7,605,179)
Income taxes paid	(96,336)	(124,231)
Finance cost	(1,069,808)	-
Profit on term deposit receipts and bank deposits	18,187	391,023
	<u>(6,081,941)</u>	<u>(7,338,387)</u>
<b>Net Cash generated from Operating Activities</b>	(6,081,941)	(7,338,387)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets under own use	-	(27,500)
Proceeds from disposal of assets in own use	-	2,200
Proceeds from disposal of assets on terminating ijarah	-	2,397,301
<b>Net Cash (used in) / generated from Investing Activities</b>	-	2,372,001
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	-	-
<b>Net Cash used in Financing Activities</b>	-	-
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	(6,081,941)	(4,966,386)
Cash and cash equivalents at the beginning of the period	44,158,744	32,047,734
<b>Cash and Cash Equivalents at the End of the period</b>	<u>38,076,803</u>	<u>27,081,350</u>

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

CHIEF EXECUTIVE

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DIRECTOR

CHIEF FINANCIAL OFFICER



# FIRST IBL MODARABA

## STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Particulars	Certificate Capital	Reserves			Total Equity
		Capital	Revenue		
		Statutory reserve	Unrealized gain on revaluation of available for sale investments	Accumulated loss	
<b>Rupees</b>					
<b>Balance as at June 30, 2019</b>	216,875,000	44,010,129	2,295,381	(72,214,749)	190,965,761
<b>Comprehensive income for the year</b>					
Net profit for the year	-	-	-	4,002,844	4,002,844
Other comprehensive loss for the year	-	-	824,918	-	824,918
<b>Total comprehensive income for the year</b>	-	-	824,918	4,002,844	4,827,762
Issuance of certificate capital					-
Transferred to statutory reserve	-	800,569	-	(800,569)	-
<b>Transactions with owners</b>					
Profit distributed for the year ended June 30, 2017	-	-	-	(3,470,000)	(3,470,000)
<b>Balance as at June 30, 2020</b>	216,875,000	44,810,698	3,120,299	(72,482,474)	192,323,523
<b>Comprehensive income for the period</b>					
Net loss for the period	-	-	-	(1,146,640)	(1,146,640)
Other comprehensive loss for the period	-	-	893,987	-	893,987
<b>Total comprehensive income for the period</b>	-	-	893,987	(1,146,640)	(252,653)
<b>Transactions with owners</b>					
<b>Balance as at September 30, 2020</b>	<b>216,875,000</b>	<b>44,810,698</b>	<b>4,014,286</b>	<b>(73,629,114)</b>	<b>192,070,870</b>

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

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

**First IBL Modaraba**  
**Notes to the account (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 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**

**Advances, Prepayments and Other Receivables**

	September 30, 2020	June 30, 2020
	"Rupees"	
Advance income tax	1,533,330	1,436,994
Advance to employees (Unsecured - Considered good)	579,409	571,309
Prepayments	311,883	211,260
	<u>2,424,622</u>	<u>2,219,563</u>
Accrued profit:		
- Profit receivable on musharaka receivables	4,287,844	4,054,532
- Less: Profit held in suspense account	<u>(2,622,920)</u>	<u>(1,969,089)</u>
	1,664,924	2,085,443
Other receivables:		
- Others	<u>2,808,706</u>	<u>4,056,679</u>
	<u>2,808,706</u>	<u>4,056,679</u>
	<b><u>6,898,252</u></b>	<b><u>8,361,685</u></b>

**Note 4**

**Short Term Investments**

	Note	
Investments in listed equity securities are classified as:		
- Available for sale	4.1 4,014,328	3,120,341
- At fair value through profit or loss	4.2 <u>267,677</u>	<u>234,825</u>
	<b><u>4,282,005</u></b>	<b><u>3,355,166</u></b>

**4.1 Available for sale**

**September 2020      June 2020      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	4,014,328	3,120,341
<u>15,662</u>	<u>15,662</u>		<u>4,014,328</u>	<u>3,120,341</u>

**4.2 At fair value through profit or loss**

**Name of entity**

**No. of shares/ Certificates**

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

200	200	Attock Refinery Limited	27,896	17,864
219	219	IBL Healthcare Limited	18,781	16,961
100,000	100,000	First Punjab Modaraba	221,000	200,000
<u>100,419</u>	<u>100,419</u>		<u>267,677</u>	<u>234,825</u>

**Note 5**

**Creditors, accrued and other liabilities**

	September 30, 2020	June 30, 2020
Accrued Expenses	440,000	440,000
Payable to the Modaraba Management Company	444,760	444,760
Other liabilities	431,983	488,781
	<b><u>1,316,742</u></b>	<b><u>1,373,541</u></b>

First IBL Modaraba  
Notes to the account (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

**Note 6**

**Related Party Transactions**

6.1 Related parties comprise Management Company, major certificate holders of the Modaraba and their close family members, directors of the management company and their close family members, key management personnel of the management company and their close family members and entities with common directors or under common management.

6.2 Details of transactions with related parties and balances outstanding with them at the quarter ended are as follows:

**Transactions during the period**

			<b>September 30, 2020</b>	<b>June 30, 2020</b>
			Rupees	Rupees
Related party	Relationship	Nature of Transaction		
IBL Modaraba Management (Private) Limited	Management Company	Management fee accrued during the year/ quarter	-	444,760
		Management fee paid during the year/ quarter	-	223,131
		Dividend paid during the period	-	324,945
University of Management & Technology	Holds 14.16% of the paid up certificates of Modaraba	Rent of library building	1,873,860	7,495,440
		Dividend paid during the period	-	491,200

**Outstanding Balance at the quarter end**

Payable to the Modaraba Management Company	444,760	444,760
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Transactions with related parties, except the management fee payable to the management company, are carried at an arm's length in the normal course of business.

**Note 7**

**Date of authorization for issue**

The financial statement were authorized for issue on October 29, 2020 by the Board of Directors of IBL Modaraba Management (Pvt.) Limited.

**Note 8**

**General**

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of comparison.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

www.jamapunji.pk




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(based on live feed from KSE)  
Knowledge center  
Risk profiler\*  
Financial calculator  
Subscription to Alerts (event  
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