



ANNUAL REPORT
JUNE 30, 2024

Contents

Modaraba Information	01
Mission and Vision statement	02
Notice of Annual Review Meeting	03
Key Financial Data	06
Value Added Statement	07
Balance Sheet Composition	08
Vertical Analysis	09
Horizontal Analysis	10
Chairman's Review Report	11
Directors' Report	12
Shariah Advisor's Report	21
Statement of Compliance with Code of Corporate Governance	22
Review Report on Statement of Compliance with Code of Corporate Governance	27
Auditor's Report to the Certificate holders	28
Statement of Financial Position	32
Statement of Profit and Loss Account and Other Comprehensive Income	33
Cash Flow Statement	34
Statement of Changes in Equity	35
Notes to the Financial Statements	36
Pattern of Certificate Holding	79
Shariah Advisor's Report - Urdu	81
Directors' Report - Urdu	93
Chairman's Review Report - Urdu	95
Notice of Annual Review Meeting - Urdu	99
Proxy Form - English	100
Proxy Form - Urdu	101
Jamapunji	102

Modaraba Information

Modaraba Company

Eman Management (Private) Limited

Directors of Modaraba Company

Mr. Chaudhry Jawaid Iqbal
Chairman
Non-Executive Director

Mr. Teizoon Kisat
Chief Executive
Executive Director

Mr. Waheed ur Rehman
Independent Director

Ms. Saba Ahmed Agrawalla
Independent Director

Mr. Nasim Ahmed
Non-Executive Director

Mr. Azhar Iqbal
Non-Executive Director

Audit Committee

Mr. Waheed ur Rehman
Chairman

Mr. Chaudhry Jawaid Iqbal
Member

Mr. Nasim Ahmed
Member

Ms. Saba Ahmed Agrawalla
Member

Risk Management Committee

Mr. Nasim Ahmed
Chairman

Mr. Waheed ur Rehman
Member

Ms. Saba Ahmed Agrawalla
Member

Mr. Teizoon Kisat
Member

Human Resource and Remuneration Committee (HR&R Committee)

Ms. Saba Ahmed Agrawalla
Chairperson

Mr. Azhar Iqbal
Member

Mr. Teizoon Kisat
Member

Chief Financial Officer

Ms. Effat Assad

Company Secretary

Mr. Muhammad Jamal Ahmedani

Head of Internal Audit

Mr. Muhammad Noman Adil

Shariah Advisor

Alhamd Shahriah Advisory Services (Pvt) Ltd.

Auditors

Yousuf Adil
Chartered Accountants

Legal Advisor

Mr. M. Hashim Lodhi

Bankers / Financial Institutions

Bank Islami Pakistan
MCB Islamic Bank Limited
HBL Islamic Bank
Bank of Khyber
Meezan Bank Limited
National Bank of Pakistan
Askari Bank Limited
Faysal Bank Limited
First Habib Modaraba

Registered Office

Plot # 9, Sector 24
Korangi Industrial Area, Karachi
Phone: 021 - 111 - 676 - 676

Registrar & Share Registration Office

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, SMCHS
Main Shahrah-e-Faisal, Karachi

Vision:

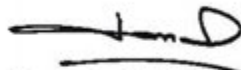
To become the outsourcing solution provider of choice in the markets we serve.

Mission:

A dynamic, diverse and growth oriented modaraba delivering competitive outsourcing solutions for our customers through a network of professionals ensuring rewards to our stakeholders while fulfilling our corporate social responsibilities.

Notice of Annual Review Meeting

Notice is hereby given that the 7th Annual Review Meeting of certificate-holders of Orient Rental Modaraba will be held on October 25, 2024 at 10:00 a.m. at the registered office of the Modaraba on 4th Floor, Plot # 9, Sector 24, Korangi Industrial Area, Karachi and through video conferencing facility to review the performance of Modaraba for the year ended June 30, 2024.



On behalf of the Board

Muhammad Jamal Ahmedani
Company Secretary
Orient Rental Modaraba
October 04, 2024
Karachi

Notes:

1. Participation in the meeting:

a) **Physical attendance**

Certificate holders whose names appear in the register of certificate holders of the Modaraba at the close of business on October 17, 2024 are entitled to attend the Annual Review Meeting.

- i) In case of individuals, the certificate holder shall authenticate his identity by showing his / her original Computerized National Identity Card ("CNIC") or original passport at the time of attending the meeting.
- ii) In case of proxy representing individuals, the proxy shall authenticate his identity by showing his / her original CNIC. All proxy forms must be submitted at the registered office of the Modaraba at least 48 hours before the time of meeting.
- iii) In case of corporate entities; Board of Directors resolution / Power of Attorney with specimen signature along with proxy form must be submitted at the registered office of the Modaraba at least 48 hours before the meeting.

b) **Participation through video conferencing facility**

Securities and Exchange Commission of Pakistan ("SECP") through its Circular no. 4 dated February 15, 2021, has directed listed companies to ensure the participation of certificate holders in General Meetings through electronic means as a regular feature in addition to holding through physical means..

Accordingly, certificate holders interested in participating in the meeting through video conference are requested to register themselves by providing the following particulars at company.secretary@orientmodaraba.com at-least 48 hours prior to commencement of meeting.

Name of certificate holder	CNIC No.	Folio / CDC Account No.	Cell No.	No. of Shares held	Email address

Video conference link details and login credentials will be shared with the certificate holders who have provided all the requested information within the time prescribed.

2. Dividend Announcement

The Board of Directors of the Modaraba Management Company has approved cash dividend of 12% (Rs.1.20 per Modaraba Certificate of Rs.10/- each) for the financial year ended June 30, 2024.

Certificate holders who have not yet submitted a copy of their valid CNIC or NTN are requested to immediately submit the same directly to the Modaraba's Share Registrar M/s. CDC Share Registrar Limited. In case of non-receipt of the copy of a valid CNIC or NTN, the Modaraba would be constrained under section 243 (3) of the Companies Act, 2017 to withhold dividend of such certificate holders.

3. Closure of Certificate Transfer Book:

The Certificate Transfer Books of the Modaraba will be closed from October 18, 2024 to October 25, 2024 (both days inclusive). Transfers received in order at the office of the Registrar of Orient Rental Modaraba i.e., M/s. CDC Share Registrar Limited at its Head office CDC House, 99-B, Block "B", SMCHS, Main Shahrah-e-Faisal, Karachi – 74400, Telephone No: 021-111-111-500, Fax No: 021-34326053 at the close of business on October 17, 2024 will be considered as being in time for the purpose of entitlement to dividend and to attend the Annual Review Meeting.

4. Availability of Audited Financial Statements on Modaraba's website:

In terms of Section 223 (7) of the Companies Act 2017, the Annual Report for the year ended June 30, 2024 will also be placed on Modaraba's website simultaneously with the dispatch of the same to the certificate holders.

5. Deduction of withholding tax on the amount of Dividend

The rate of deduction of income tax under section 150 of the Income Tax Ordinance, 2001 from dividend payments, has been prescribed as follows:

- Rate of tax for person appearing in the Active Taxpayers' List: 15%
- Rate of tax for person not appearing in the Active Taxpayers' List: 30%

In case a Folio/CDS Account is jointly held, each joint-holder will be treated separately as Active or Non-Active. Tax of each joint-holder shall be deducted on the gross dividend amount determined by bifurcating

the certificate holding of each joint-holder on equal proportions, except where certificate holding proportion of joint-holder(s) is pre-defined as per the records of our Share Registrar and thus tax rates are applied in line with respective proportions. Those certificate holders who are holding Folio/CDS jointly: are requested to notify (in writing) any change in their certificate holding proportions to our Share Registrar, or their Participants/CDC Investor Account Services so that their revised certificate holding proportions are updated in our records for dividend payouts, if any.

Certificate holders seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be to the Share Registrar.

Certificate holders desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

6. Dividend Mandate

As per Section 242 of the Companies Act, 2017 (the "Act"), the payment of cash dividend by a listed company / entity through electronic mode has now become mandatory. Therefore, all the certificate holders of Orient Rental Modaraba are hereby advised to provide dividend mandate of their respective banks in the "Dividend Mandate Form" available on Company's website. Certificate holders maintaining shareholding under Central Depository System (CDS) are advised to submit their bank mandate information directly to the relevant participant / CDC Investor Account Service. In the absence of bank account details or in case of incomplete details, the Modaraba is required to withhold the payment of cash dividend of those shareholders who have not provided the same. For more information, you may contact our share registrar.

7. Transmission of Annual Financial Statements through Email

As per the directives issued by the Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O. 787(1) 2014 dated 08 September 2014, companies are allowed the circulation of Audited Financial Statements along with the Notice of Annual Review Meeting to their certificate-holders through e-mail. Certificate holders who wish to receive Modaraba's Annual Report via email in future are requested to fill the consent form (available at Modaraba's website) and return it to our share registrar.

8. Unclaimed dividend

An updated list for unclaimed dividends of the Modaraba is available on the Modaraba's website <https://www.orientmodaraba.com/investors>. Certificate-holders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar to collect / inquire about their unclaimed dividend, if any. Dividend which remained unclaimed for more than three years is required to be deposited with the Federal Government under section 244(2) of the Companies Act, 2017.

9. Change of Address

The Certificate holders are advised to notify change in their addresses, if any, to the Share Registrar.

Key Financial Data

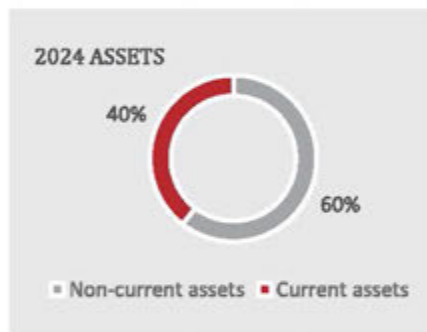
		2024	2023	2022
Total Assets	(Rs in Millions)	2,332	2,184	2,052
Current Assets	(Rs in Millions)	923	789	643
Current Liabilities	(Rs in Millions)	591	464	768
Paid-up certificate capital	(Rs in Millions)	750	750	750
Reserves	(Rs in Millions)	647	503	316
Certificate holders' net equity	(Rs in Millions)	1,397	1,253	1,066
Gross profit	(Rs in Millions)	578	489	439
Net profit	(Rs in Millions)	218	188	170
Total Dividend	(Rs in Millions)	90	75	-
Return on Asset	%	10	9	8
Return on Equity	%	16	16	16
Debt / Equity Ratio	Times	0.24	0.41	0.40
Current Ratio	Times	1.56	1.70	0.84
Earnings per certificates - basic and diluted	Rs.	2.91	2.50	2.27
Cash dividend	%	12.00	10.00	-
Cash dividend per certificate	Rs.	1.2	1.00	-
Book value per certificate	Rs.	18.62	16.71	14.21

Value Added Statement

	2024		2023		2022	
	Rs in '000	%	Rs in '000	%	Rs in '000	%
Value added						
Revenue from operations	2,414,423	123%	1,990,039	123%	1,901,776	123%
Less: Operating expenses	(509,987)	(26%)	(399,921)	(25%)	(375,090)	(24%)
Other income	56,659	3%	25,034	2%	14,294	1%
	<u>1,961,095</u>	100%	<u>1,615,152</u>	100%	<u>1,540,980</u>	100%
Value allocated						
To Employees as remuneration	923,082	47%	786,377	48%	725,352	47%
To Government Income tax, sales tax others	473,239	24%	329,007	20%	323,811	21%
To providers of finance as profit on Diminishing Musharaka	119,448	6%	92,216	6%	65,399	4%
To Modarib Modaraba Management Company fee	45,948	3%	33,163	2%	32,322	2%
To Certificate holders' as profit on Modaraba Certificates	-	0%	75,000	5%	-	0%
Retained in business as Depreciation including amortisation	181,007	9%	186,887	12%	223,962	15%
as Reserves and Retained Earnings	218,371	11%	112,502	7%	170,133	11%
	<u>1,961,095</u>	100%	<u>1,615,152</u>	100%	<u>1,540,980</u>	100%

Balance Sheet Composition

	2024 Rupees	2023 Rupees	2022 Rupees
Non-current assets	1,408,997,068	1,395,467,125	1,408,643,366
Current assets	922,527,254	788,947,455	643,054,536
Non-current liabilities	343,603,721	466,995,526	218,120,523
Current liabilities	591,296,066	464,165,396	767,825,269
Equity	1,396,624,535	1,253,253,658	1,065,752,110



Vertical Analysis

BALANCE SHEET

ASSETS

Non-current assets

Fixed assets

Intangible assets

Long term deposits

Long term loan

Current assets

Stores, spares and loose tools

Accounts receivables

Loans, advances and other receivable

Tax refundable due from Government

Cash and bank balances

LIABILITIES

Non-current liabilities

Diminishing musharika financing

Lease liability

Deferred tax liability

Current liabilities

Current maturity of diminishing musharika financing

Current maturity of lease liability

Creditors, accrued and other liabilities

Unclaimed dividend

Taxation

FINANCED BY:

Issued, subscribed and paid-up capital

Unappropriated profit

Statutory reserves

PROFIT AND LOSS ACCOUNT

Ijarah rentals - net

Operation and maintenance income - net

Income on deposits with banks

(Loss) / Gain on disposal of fixed assets

Gross Revenue

Operating expenses

Leasehold improvement written-off

Administrative expenses

Marketing expenses

Finance costs

Exchange loss

Impairment loss on financial assets

Total Expenses

Modaraba Management Company's fee

Provision for Sindh Sales tax on Modaraba Management fee

Provision for Sindh Workers' Welfare Fund

Taxation

Profit Margin

	2024	2023	2022
Fixed assets	60%	64%	68%
Intangible assets	0%	0%	0%
Long term deposits	0%	0%	1%
Long term loan	0%	0%	0%
	60%	64%	70%
Stores, spares and loose tools	6%	3%	4%
Accounts receivables	14%	13%	14%
Loans, advances and other receivable	4%	3%	4%
Tax refundable due from Government	5%	5%	5%
Cash and bank balances	11%	11%	4%
	40%	36%	31%
	100%	100%	100%
Diminishing musharika financing	9%	15%	8%
Lease liability	3%	4%	0%
Deferred tax liability	3%	3%	3%
	15%	11%	11%
Current maturity of diminishing musharika financing	5%	8%	13%
Current maturity of lease liability	1%	0%	1%
Creditors, accrued and other liabilities	19%	13%	23%
Unclaimed dividend	0%	0%	0%
Taxation	0%	1%	1%
	25%	22%	38%
Issued, subscribed and paid-up capital	32%	34%	37%
Unappropriated profit	17%	14%	7%
Statutory reserves	11%	9%	8%
	60%	57%	52%
	100%	100%	100%
Ijarah rentals - net	58%	65%	64%
Operation and maintenance income - net	40%	35%	37%
Income on deposits with banks	2%	0%	0%
(Loss) / Gain on disposal of fixed assets	0%	0%	-1%
	100%	100%	100%
Operating expenses	71%	74%	76%
Leasehold improvement written-off	0%	0%	0%
Administrative expenses	3%	3%	4%
Marketing expenses	0%	0%	0%
Finance costs	5%	4%	4%
Exchange loss	0%	0%	0%
Impairment loss on financial assets	0%	1%	0%
	79%	82%	84%
Modaraba Management Company's fee	2%	2%	2%
Provision for Sindh Sales tax on Modaraba Management fee	0%	0%	0%
Provision for Sindh Workers' Welfare Fund	0%	0%	0%
Taxation	7%	6%	2%
	12%	10%	12%

Horizontal Analysis

BALANCE SHEET

ASSETS

Non-current assets

Fixed assets

Intangible assets

Long term deposits

Long-term loan

Current assets

Stores, spares and loose tools

Accounts receivables

Loans, advances and other receivable

Tax refundable due from Government

Cash and bank balances

LIABILITIES

Non-current liabilities

Diminishing musharika financing

Lease liability

Deferred tax liability

Current liabilities

Current maturity of diminishing musharika financing

Current maturity of lease liability

Creditors, accrued and other liabilities

Unclaimed dividend

Taxation

FINANCED BY:

Issued, subscribed and paid-up capital

Unappropriated profit

Statutory reserves

PROFIT AND LOSS ACCOUNT

Ijarah rentals - net

Operation and maintenance income - net

Income on deposits with banks

(Loss) / Gain on disposal of fixed assets

Gross Revenue

Operating expenses

Leasehold improvement written-off

Administrative expenses

Marketing expenses

Finance costs

Impairment loss on financial assets

Total Expenses

Modaraba Management Company's fee

Provision for Sindh Sales tax on Modaraba Management fee

Provision for Sindh Workers' Welfare Fund

Profit Margin

	2024	2023	2022
Fixed assets	1%	-1%	-3%
Intangible assets	0%	-100%	-88%
Long term deposits	0%	7%	0%
Long-term loan	100%	0%	0%
	1%	-1%	-3%
Stores, spares and loose tools	107%	-14%	21%
Accounts receivables	18%	0%	33%
Loans, advances and other receivable	-3%	-13%	50%
Tax refundable due from Government	0%	-5%	0%
Cash and bank balances	4%	231%	-55%
	17%	23%	4%
	7%	6%	-1%
Diminishing musharika financing	-37%	101%	-61%
Lease liability	-11%	5802%	100%
Deferred tax liability	15%	13%	79%
	-26%	114%	-52%
Current maturity of diminishing musharika financing	-27%	-33%	-9%
Current maturity of lease liability	61%	-29%	1154%
Creditors, accrued and other liabilities	59%	-43%	31%
Unclaimed dividend	107%	-1%	-38%
Taxation	100%	100%	100%
	27%	-40%	17%
Issued, subscribed and paid-up capital	0%	0%	0%
Unappropriated profit	33%	98%	66%
Statutory reserves	22%	23%	27%
	11%	18%	10%
	7%	6%	-1%
Ijarah rentals - net	16%	-1%	27%
Operation and maintenance income - net	27%	14%	21%
Income on deposits with banks	104%	256%	48%
(Loss) / Gain on disposal of fixed assets	2256%	102%	144%
Gross Revenue	22%	5%	26%
Operating expenses	21%	2%	24%
Leasehold improvement written-off	0%	0%	0%
Administrative expenses	6%	0%	-2%
Marketing expenses	324%	-88%	29%
Finance costs	30%	41%	4%
Impairment loss on financial assets	100%	-83%	383%
Total Expenses	18%	5%	20%
Modaraba Management Company's fee	39%	3%	52%
Provision for Sindh Sales tax on Modaraba Management fee	39%	3%	52%
Provision for Sindh Workers' Welfare Fund	39%	3%	52%
Profit Margin	16%	10%	9%

Chairman's Review Report

Dear Modaraba Certificate Holders,

I am pleased to present an overview of Orient Rental Modaraba's performance during year ended June 30, 2024. Pakistan's GDP recorded growth of 2.4%, a significant improvement from last year's contraction of 0.21%. Agriculture emerged as the key driver of this growth, expanding by 6.25% while the industrial and service sectors recorded a growth rate of 1.21%. Growth of 3.6 % is projected in the current fiscal year 2024-25 on the implementation of economic reforms and increased agriculture output. The approval of the IMF Executive Board of Extended Fund Facility equivalent of US \$ 7 billion will strengthen microeconomic stability and create conditions for stronger growth.

The Modaraba achieved a commendable revenue growth of 20% during the year amid the moderate recovery of economic activities. The Profit before levies and taxation at Rs. 399 million is 38% higher compared to last year. After-tax profit reported at Rs. 218 million was higher by 16% compared to last year. The Modaraba is subject to withholding tax deduction @ 9% on payments made by the customers for rental of generators. The withholding tax in excess of normal tax liability is charged to the profit and loss account as "Levies" because it is a minimum tax. Due to the charge of Levies of Rs. 34.5 million and recently imposed super tax, the tax incidence on the Modaraba calculates to 45% which is on a very high side. A reduced tax rate of 4% for services provided by Modaraba would contribute to the sector's growth, its financial viability and increased return to the shareholders.

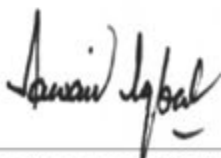
Based on the results for 2024 and the financial position of the Company, the Board of Directors proposes a dividend of Rs 1.2 per certificate, which is an increase of 2% per certificate compared to the dividend for 2023.

On the positive side, the recent reduction in policy rate by 200 basis points to 17.5%, by State Bank of Pakistan will not only help in reducing finance cost but will support expansion of existing assets portfolio that would strengthen its position in the existing business segments. The Board of Directors during the year approved the amendments in the prospectus of the Modaraba. The Registrar Modaraba has approved the amendments. As we strengthen our position in our core business segment, we look forward to explore new business opportunities for further business expansion. The Board reaffirms their commitment to strengthening returns for the stakeholders of the Modaraba.

On behalf of the Board of Directors, I offer a sincere thank you to the Chief Executive Officer and every employee in the Modaraba for their contributions in the past year. They have once again, with their commitment and dedicated efforts, steered the Modaraba through another successful year despite many challenges.

I also extend my appreciation to the Registrar Modaraba, the Securities & Exchange Commission of Pakistan and the Pakistan Stock Exchange for their cooperation, support, and guidance from time to time.

I would also like to take this opportunity to express my sincere gratitude to all our all our stakeholders, including customers, suppliers, certificate-holders, bankers, and other partners. Your unwavering support and loyalty have been fundamental to our success, and we deeply appreciate your continued commitment. Thank you for being an essential part of our journey.



Chaudhry Jawaid Iqbal
Chairman

Dated: September 20, 2024

Directors' Report

The Board of Directors of EMAN Management (Pvt.) Limited ("**EMAN**"), the Management Company of Orient Rental Modaraba ("**Modaraba**") is pleased to present the Financial Statements of the Modaraba for the year ended June 30, 2024.

Financial Highlights	June 2024 Rupees	June 2023 Rupees
Revenue	2,122,222,950	1,761,802,240
Operating Expenses	(1,544,446,464)	(1,273,175,946)
Gross Profit	577,776,486	488,626,294
Administrative and Marketing Expenses	(55,271,212)	(51,944,798)
Other Expenses	(233,000)	(14,945,050)
Other Income	56,658,691	25,034,297
Finance cost	(119,448,309)	(92,216,076)
Impairment loss on Financial Assets	-	(22,926,402)
Profit before Management Fee	459,482,656	331,628,265
Modaraba Management Company's Fee	(45,948,266)	(33,162,827)
Provision for Sales Tax on Management Fee	(5,973,275)	(4,311,168)
Provision for Sindh Workers Welfare Fund	(8,151,222)	(5,883,085)
Profit before Levies and Taxation	399,409,893	288,271,185
Revenue Taxes	(34,527,755)	(1,909,499)
Profit before taxation	364,882,138	286,361,686
Taxation	(146,511,261)	(98,860,138)
Profit after taxation	218,370,877	187,501,548
Un-appropriated profit brought forward	303,494,578	153,493,340
Transfer to Statutory Reserve @ 20% of profit for the year	(43,674,175)	(37,500,310)
Profit distribution for the year ended June 30, 2023, Re. 1.0 (for the year ended June 30, 2022: Nil) per Certificate	(75,000,000)	-
Un-appropriated profit carried forward	403,191,280	303,494,578
Earnings per certificate - Basic and Diluted	2.91	2.50
Break up value per certificate	18.62	16.71

Economic Review

According to Pakistan's economic survey, the Country's GDP grew by only 2.4% in the fiscal year 2023-24, failing to meet the 3.5% target set by the Government. The International Monetary Fund (IMF) has forecasted that Pakistan's economy will grow by 3.5% in the fiscal year 2024-25. This projection falls slightly below the Government's target of 3.6%, which was announced in the latest budget, and comes amidst a backdrop of sluggish global economic activity.

Pakistan's real, fiscal, and external sectors show signs of fragility. Fiscal consolidation efforts have aimed at stabilizing the economy, but GDP growth remains modest, and inflationary pressures continue, straining businesses and households. While a positive primary balance is encouraging, it has yet to translate into a full economic recovery.

Agriculture has offered some relief, supported by government measures to improve credit access and inputs. However, the sector's growth is limited by supply chain disruptions and environmental challenges. The Large-Scale Manufacturing sector has seen a slight contraction, but this marks an improvement from last year's decline. Efforts to balance the budget through increased tax and non-tax revenues have been made, but the growing fiscal deficit remains a major concern.

Finance bill 2024 focused on the old and tested approach of collecting more taxes from taxpayers already in the tax net. The Government has imposed a higher income tax rate of up to 35 percent on the salaried class, which is the most documented sector of the economy with no chances of tax evasion due to tax deduction at source. Even the lower income category with monthly salary of Rs. 100,000 has been hit with higher taxes due to changes in tax slabs without considering the economic realities faced by many salaried individuals. The Government needs to consider alternative measures to raise revenue and provide tax relief to salaried individuals to offset the increased burden.

Externally, the current account balance shows marginal gains, driven by a narrowing trade deficit and modest foreign investment. Yet, the external sector remains vulnerable to global commodity price fluctuations, rupee devaluation, and limited reserves.

The recent step by the State Bank of Pakistan in reducing the policy rate by 200 bps to 17.5 %, effective from September 13, 2024 is constructive move aimed at revitalizing the economy. By lowering the policy rate, it is expected to decrease the overall cost of doing business, encouraging businesses to expand operations.

The overall economic outlook is mixed. While there are positive signals, significant risks persist. Future stability will depend on comprehensive reforms to bolster long-term growth. However, businesses and consumers are likely to face ongoing challenges from global economic disruptions and currency depreciation, leading to higher operational costs and reduced purchasing power.

Review of Operations

Modaraba's profit before tax at Rs. 399.41 million was higher by 38.5% compared to the June 2023 profit of Rs. 288.27 million.

Gross revenues at Rs. 2,122.22 million were higher by 20.4% (June 2023: Rs. 1,761.80 million). All business segments of the Modaraba contributed to this increase. The operating and maintenance category, which increased its contribution by 27.1% over the previous year, was the primary driver of this growth.

Operating expenses at Rs. 1,544.45 million were higher by 21.3% against Rs. 1,273.17 million recorded in the previous year. Higher maintenance expenses were the outcome of an improved generator deployment. Furthermore, the increase was also caused by an increase in the cost of the parts used for maintenance. Annual salaries increase, government's minimum wage regulations and the effects of inflation resulted in an 18% increase in salaries over the previous year.

Administrative costs were kept under control and increased by 6.4% despite inflation. Last year other expenses included an exchange loss of Rs. 14.9 million due to a delay in payment arising from restrictions on import payments.

Other income increased mainly due to the return on substantial placement with banks and gain on disposal of assets.

Modaraba moved its generator yard to a new location in May 2023. As a result, the finance cost for the lease liability for the current year was Rs. 17.4 million compared to Rs. 3.7 million in the previous year. On the other hand, the finance cost of diminishing musharaka increased from Rs. 88.3 million in June 2023 to Rs. 101.8 million in the current year. A reduction in payback of Rs. 170.4 million partially offset a full-year charge in the current year on financing acquired in the second half of the previous year.

No impairment loss on financial assets was made as additional provision was not required for doubtful debts.

The total taxes for the year amounted to Rs. 181.0 million (June 2023: Rs. 100.8 million). The substantial increase in the income for the year resulted in the charge of super tax @ 6% as opposed to 3% in the previous year. Further, withholding tax on rendering of services under section 153 was charged as minimum tax which was 30% above the normal corporate tax. Consequently, the profit after tax for the year stands at Rs. 218.4 million, compared to Rs. 187.50 million in the previous year.

Earnings per certificate increased from Rs. 2.50 last year to Rs. 2.91 in the current year.

Profit Distribution

The Board is pleased to announce a cash dividend of 12% i.e. Rs. 1.2/- per certificate of Rs. 10/- each, subject to deduction of zakat and tax at source, where applicable.

Sustainability Strategy

Pakistan ranked #150 on the climate vulnerability index and the urgency for climate change is clear. In October 2021, Pakistan submitted its Nationally Determined Contribution (NDC) to the United Nations, outlining the country's target to shift to 60% renewable energy and reduce emissions by 50% by 2030.

We are committed to supporting Pakistan's sustainability goals and fulfilling our social responsibility. Our corporate objectives include investing in renewable energy projects and incorporating energy efficient practices. To inculcate this feeling of shared responsibility in our employees, the company distributed plants on the occasion of Pakistan's 78th Independence Day. Thereby, promising a greener and more sustainable future for our country.

Principal Risks and Uncertainties

The Modaraba is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

- **Business Risk**

Due to significant reliance on the generator rental business, the Modaraba is facing a risk from disruption of gas supplies to the industry and a rise in the cost of new generators mainly due to a significant increase in the exchange rate. The currency market has been extremely volatile, resulting in the depreciation of the Pakistani Rupee against a basket of major currencies. The currently prevalent market rates of generator rent do not offer an adequate return on investment in new generators. Therefore, the management of Modaraba will remain prudent and cautious in its investment strategy.

- **Credit Risk**

Modaraba is exposed to inherent default risks in the business of Ijarah. The Modaraba is carrying risks in terms of default in rental payments by the customer and other risks such as non-possession of owned assets, misuse or abuse by the customer, accidents, theft, and breakdown. The assets have been deployed at different industrial sectors throughout the Country to minimize the concentration and default risks.

- **Economic Risk**

Pakistan faces considerable challenges to its political and macro-economic stability, particularly fiscal and external account deficits. The performance of Modaraba can be affected by changes in the economic conditions. Factors such as market growth, interest rates, and exchange rates could affect the earnings and assets of Modaraba.

- **Liquidity Risk**

The main source of funding of Modaraba is Diminishing Musharaka. Its exposure to interest risk is limited, given its musharaka financing is at 1 year / 3 months KIBOR + 1.5 – 2.15 % per annum. The financial strength of the Modaraba is adequate considering the support provided by the associated company for managing its funding and going forward Modaraba intends to keep its leveraging at a manageable level.

The Modaraba works with internal and external stakeholders to mitigate/reduce to an acceptable level the likely impacts of aforesaid risks.

Future Outlook

Pakistan's economy faces uncertain times ahead. High inflation, political uncertainties and fiscal challenges will continue to put pressure on growth. While agriculture may support some recovery, manufacturing could face setbacks due to energy shortages and global supply chain issues. The external sector remains vulnerable to fluctuating global prices and low foreign reserves. Sustained reforms in taxation, governance, and energy are crucial for stability.

The Board of Directors

The Board comprises of 6 directors.

Male Directors	5
Female Directors	1

The composition of the Board members is as under:

Independent Directors	2
Non-Executive Directors	3
Executive Director	1

During the year, a total of five meetings of the Board of Directors were held. The position of attendance during respective period was as follows:

Name	Meetings attended
Mr. Chaudhry Jawaid Iqbal	5
Mr. Nasim Ahmed	5
Mr. Azhar Iqbal	5
Mr. Joozer Jiwakhan*	2
Ms. Saba Ahmed Agrawalla	4
Mr. Waheed ur Rehman**	3
Mr. Teizoon Kijat	5

* Retired on January 1, 2024, on completion of the Board's term.

** Elected on January 1, 2024.

Board Audit Committee

The Board of Directors has established an Audit Committee, in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, which oversees internal controls and compliance and has been working efficiently since its inception. The Audit Committee reviewed the quarterly, half-yearly, and annual financial statements before submission to the Board and their publication. The Audit Committee had detailed discussions with the external auditors on various issues, including their letter to the management. The Audit Committee also reviewed internal auditors' findings and held separate meetings with internal and external auditors as required under the Code of Corporate Governance.

A total of four meetings of the Board Audit Committee were held. The position of attendance during respective tenure was as follows:

Name	Meetings attended
Mr. Joozer Jiwakhan*	2
Mr. Waheed ur Rehman**	2
Mr. Nasim Ahmed	4
Mr. Chaudhary Jawaid Iqbal	4
Ms. Saba Ahmed Agrawalla	3

* Retired on January 1, 2024, on completion of the Board's term.

** Appointed as a member on January 1, 2024.

Human Resource and Remuneration Committee

The Board of Directors in compliance with the Regulations formed Human Resource and Remuneration Committee (HRRC). The HRRC is primarily responsible for the implementation of the process of evaluation and compensation of the key management personnel.

One meeting was held during the year. The position of attendance is as follows.

Name	Meetings attended
Mr. Joozer Jiwakhan*	1
Mr. Nasim Ahmed*	1
Ms. Saba Ahmed Agrawalla**	-
Mr. Azhar Iqbal**	-
Mr. Teizoon Kijat	1

* Retired on January 1, 2024, on completion of the Board's term.

** Appointed as a member on January 1, 2024.

Risk Management Committee

The Board of Directors in compliance with the Regulations formed Risk Management Committee. The Risk Committee is primarily responsible for setting up risk appetite and designing and implementing appropriate risk management and internal control systems that identify the risks facing the Modaraba and enable the Board to make a robust assessment of the principal risks.

Two meetings was held during the year. The position of attendance is as follows.

Name	Meetings attended
Mr. Chaudhary Jawaaid Iqbal*	1
Mr. Nasim Ahmed**	1
Ms. Saba Ahmed Agrawalla	2
Mr. Waheed ur Rehman**	1
Mr. Teizoon Kijat	2

* Retired on January 1, 2024, on completion of the Board's term.

** Appointed as a member on January 1, 2024.

Board Changes

On January 1, 2024, the Board completed its term and election of Directors was held. The newly elected Board is as follows:

Name	
Mr. Chaudhry Jawaid Iqbal	Non-Executive Director / Chairman
Mr. Nasim Ahmed	Non-Executive Director
Mr. Azhar Iqbal	Non-Executive Director
Mr. Waheed ur Rehman	Non-Executive Independent Director
Ms. Saba Ahmed Agrawalla	Non-Executive Independent Director
Mr. Teizoon Kijat	Executive Director

The Board of Directors places on record its appreciation and gratitude for the services rendered by the retired Director Mr. Joozer Jiwakhan.

Compliance with Corporate Governance

The Board of Directors reviews all significant matters of the Modaraba. These include Modaraba's strategic direction, related party transactions, and decisions on long-term investments and borrowings. The Board is committed to maintaining high standards of Corporate Governance.

Corporate and Financial Reporting Framework

- Financial Statements of the Modaraba fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Modaraba have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable to Modarabas in Pakistan, have been followed in the preparation of financial statements.
- The system of internal control, which is in place, is being continuously reviewed by internal audit. The process of review will continue and any weakness in controls will be removed.
- There is no reason to doubt the Modaraba's ability to continue as a going concern.
- A summary of key operating and financial data for the period under review is included in this annual report.

- There are no statutory payments on account of taxes, duties, levies, and charges that are outstanding as of June 30, 2024 except for those disclosed in the financial statements.
- The Modaraba maintains a Provident Fund for its permanent employees. The value of investments based on the unaudited financial statements of the fund as of June 30, 2024, is Rs. 226,113,760 (June 30, 2023: Rs. 150,764,967)

Credit Rating

The Modaraba maintained its long term rating of A - and short-term rating of A2. The rating was assigned by The Pakistan Credit Rating Agency Limited.

Place of Board Meeting

During the period, all board meetings were arranged at Karachi in Management Company's office and none of the meetings were conducted outside Pakistan in order to avoid any extra expenses of outside meeting.

Pattern of Certificate Holders

A Statement showing pattern of Certificate Holding of the Modaraba and additional information as at June 30, 2024 is included in this report along with the proxy form.

Directors Training Program

Four out of six Directors have certifications under the Directors Training Program that meet the requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Related Party Transactions

In accordance with the requirements of the Regulations, the Company presented all related party transactions before the Audit Committee and the Board for their review and approval, respectively.

Internal Financial Controls

The directors are aware of their responsibility with respect to internal financial controls. Through discussions with management and auditors (both internal and external), they confirm that adequate controls have been implemented by the Company.

Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

Remuneration Policy of Non-Executive Directors

The fee of the Non-Executive and Independent Directors for attending the Board and Committee meetings of the Company is determined by the Board from time to time.

Shari'ah Audit Report

The Modaraba continues to seek guidance from its Shari'ah Advisor, Alhamd Shariah Advisory Services, as and when required. The internal audit department has also been trained to handle the day-to-day affairs of the Modaraba ensuring complete adherence to Shari'ah policies and principles. The Shari'ah Audit Report issued for the affairs of the Modaraba for the period ended June 30, 2024, is attached to the Annual Financial Statements.

Auditors

On the recommendation of the Audit Committee, the Board has approved the appointment of M/s. Yousuf Adil, Chartered Accountants as auditors for the year ending June 30, 2025, subject to the approval of Registrar of Modaraba Companies & Modarabas.

Acknowledgement

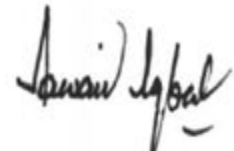
The Board wishes to place on record its sincere appreciation to the Registrar Modaraba, the Securities & Exchange Commission of Pakistan, and Pakistan Stock Exchange for their cooperation, support, and guidance from time to time.

The Board also places on record its sincere gratitude to the certificate holders who have remained committed to the Orient Group and the employees of the Modaraba for their contribution and efforts to meet customers' expectations by providing quality service, ensuring continued business for the Modaraba.



Chief Executive Officer

September 20, 2024



Chairman



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

Annual Shariah Advisor's Report

For the year ended June 30, 2024

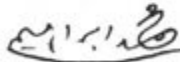
We have conducted the Shariah review of Orient Rental Modaraba managed by Eman Management (Pvt.) Limited for the financial year ended on June 30, 2024 in accordance with the requirements of Shariah Compliance and Shariah Audit Mechanism for Modarabas and report that as:

In Our Opinion

- i. The Modaraba has introduced a mechanism that strengthened the Shariah compliance, in letter and spirit and the systems, procedures, and policies adopted by the Modaraba are in line with Shariah principles.
- ii. Major developments during the year include:
 - a. ORM's basic products are Operating Lease, Operation & Maintenance, and Facility Management - are Shariah-compliant services.
 - b. Training on Islamic Finance concepts, specifically Ijarah, was conducted for the relevant ORM staff last year and will be repeated if necessary.
- iii. The agreements entered into by the Modaraba are Shariah compliant and the Leasing agreements have been executed on the formats as approved by the Shariah advisor and all the related conditions have been met.
- iv. To the best of our information and according to the explanations gives to us, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shariah requirements as well as the requirements of the Prospectus, Islamic Financial Accounting Standards as applicable in Pakistan and the Shariah Compliance and Shariah Audit Regulations for Modarabas.
- v. No earnings have been realized from sources prohibited by Shariah.

Conclusion:

Based on thorough reviews of operating lease and maintenance contract samples, along with associated documentation and processes, we confidently assert that the activities, transactions, and affairs performed by ORM during this fiscal year are compliant with Shariah rules and principles. This compliance is in line with the guidelines issued by the Registrar Modaraba, Securities & Exchange Commission of Pakistan.



Mufti Muhammad Ibrahim Essa
CEO & Director
Dated: 30th August 2024



Mufti Ubaid ur Rahman Zubairi
Director

Address: Flat 503, 8th Floor Ibrahim Residency, C.P & Berar Society, Karachi.

+92 322 2671867 | www.alhamdshariahadvisory.com | info@alhamdshariahadvisory.com

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2024

This statement is being presented to comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, for establishing a framework of good governance, whereby a listed Modaraba is managed in compliance with the best practices of corporate governance. EMAN Management (Private) Limited (the Modaraba Management Company) is not listed. However, Orient Rental Modaraba (the Modaraba) is listed at the Pakistan Stock Exchange. The Board of Directors of the Modaraba Management Company is responsible for managing the affairs of the Modaraba.

The Modaraba has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 in the following manner:

1. The total number of directors are six comprising of:
 - a) Male Five
 - b) Female One
2. The composition of the Board is as follows:

	Category	Names
a)	Independent Director Independent Female Director	Mr. Waheed ur Rehman Ms. Saba Ahmed Agrawalla
b)	Non-executive Directors	Mr. Chaudhry Jawaid Iqbal Mr. Nasim Ahmed Mr. Azhar Iqbal
c)	Executive Director	Mr. Teizoon Kisat

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Modaraba;
4. The Modaraba has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminated it throughout the Modaraba along with its supporting policies and procedures;
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Modaraba. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Modaraba;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board is empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for the remuneration of the directors in accordance with the Act and these Regulations;
9. Four directors have obtained certification under the Directors Training Program as required. Further, adequate measures will be taken for the Directors' Training Program for remaining two Directors.
10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee:

Chairman	Mr. Waheed ur Rehman
Members	Mr. Chaudhry Jawaid Iqbal Mr. Nasim Ahmed Ms. Saba Ahmed Agrawalla

b) Human Resource and Remuneration Committee:

Chairperson	Ms. Saba Ahmed Agrawalla
Members	Mr. Azhar Iqbal Mr. Teizoon Kisat

c) Risk Management Committee:

Chairman	Mr. Nasim Ahmed
Members	Ms. Saba Ahmed Agrawalla Mr. Waheed ur Rehman Mr. Teizoon Kisat

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequencies of the meetings of the committees were as follows;

Committee	No. of meetings
Audit Committee	4
Risk Management Committee:	2
Human Resource and Remuneration Committee	1

15. The Board has set up an effective internal audit function comprising of suitably qualified and experienced staff who are conversant with the policies and procedures of the Modaraba;
16. The statutory auditors of the Modaraba have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (Spouses, parents, dependents and non-dependents children) of the Chief Executive officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or directors of the Modaraba Management Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S.NO	Requirements	Expalination	Reg No
1	<p>Anti Harassment Policy</p> <p>To have such policy to safeguard the rights and well being of employees as per the relevant laws.</p>	<p>On June 12, 2024, the SECP has amended the regulations, and added these requirements. Board will assess the required and will make policies in due course of time.</p>	10.4 (xvi)
2	<p>Sustainability Risks and Opportunities</p> <p>The Board has been made responsible to consider Sustainability Risks and Opportunities and make policies to promote diversity, equity and inclusion (DE&I) and make strategies, priorities and targets. Also board is required to periodically review and monitor and disclose the assessment of risks and disclose measures taken.</p>	<p>On June 12, 2024, the SECP has amended the regulations, and added these requirements. Board will assess the required and will make policies in due course of time.</p>	10A
3	<p>Directors Training Program</p> <p>It is encouraged that all directors on the Board have acquired the prescribed certification under any Director Training Program (DTP) offered by the institutions, local or foreign. Two out of six directors have not attended DTP.</p>	<p>Arrangements will be made to ensure certification of two directors in the current year.</p>	19.1
4	<p>Training of female executive and Head of department</p> <p>It is encouraged to have Directors' Training program for female executives and one head of department every year starting from July 2020 and July 2022 respectively.</p>	<p>Training of the head of department is not a mandatory requirement. It may be considered if needed.</p>	19.3

S.NO	Requirements	Expalination	Reg No
5	<p>Nomination Committee</p> <p>The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.</p>	<p>A separate Nomination Committee is not constituted as the functions of the nomination committee are being addressed at the Board level.</p>	29(1)
6	<p>Posting key elements of its significant policies on it's website</p> <p>Regulations require to post certain policies on the website of the Modaraba.</p>	<p>Since the posting of major policies on the website is voluntary, future developments may consider this requirement's compliance if needed.</p>	35.1, 35.3 & 35.4



Chief Executive Officer

September 20, 2024



Chairman

◆ YOUSUF ADIL

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21- 3454 1314
www.yousufadil.com

INDEPENDENT AUDITOR'S REVIEW REPORT

To the certificate holders of Orient Rental Modaraba

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of EMAN Management (Private) Limited (the Modaraba Management Company) for and on behalf of Orient Rental Modaraba (the Modaraba) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Modaraba Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Modaraba's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Modaraba's and Modaraba Management Company's personnel and review of various documents prepared by the Modaraba Management Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Modaraba Management Company's corporate governance procedures and risks.

The Regulations require the Modaraba Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance with this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Modaraba Management Company's compliance, for and on behalf of the Modaraba, in all material respects, with the requirements contained in the Regulations as applicable to the Modaraba for the year ended June 30, 2024.


Chartered Accountants

Place: Karachi
Date: September 27, 2024
UDIN: CR202410186nlaWc35ZV

Ink dependent Correspondent Firm to
Deloitte Touche Tohmatsu Limited

INDEPENDENT AUDITOR'S REPORT TO THE CERTIFICATE HOLDERS OF ORIENT RENTAL MODARABA

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **ORIENT RENTAL MODARABA** (the Modaraba), which comprise the statement of financial position as at June 30, 2024, and the statement of profit and loss and other comprehensive income, the statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit and loss and other comprehensive income, the statement of changes in equity and cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 (XXXI of 1980), in the manner so required and respectively give a true and fair view of the state of the Modaraba's affairs as at June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Modaraba and Modaraba Company (EMAN Management Company (Private) Limited) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

S. No	Key audit matter	How the matter was addressed in our audit
1.	Revenue Recognition	
	As disclosed in the note 5.11.1 to the financial statements for the year ended June 30, 2024, revenue from ijarah rentals is recognized on an accrual basis, as and when rentals become due on a systematic basis over the ijarah period i.e. when performance obligation is satisfied and are billed on a monthly basis.	Our audit procedures in respect of this area includes the following: <ul style="list-style-type: none"> Obtained an understanding of the Modaraba's process with respect to revenue recognition of ijarah rentals and tested design and operating effectiveness of controls relevant to such process.

Independent Correspondent Firm to
Deloitte Touche Tohmatsu Limited

S. No	Key audit matter	How the matter was addressed in our audit
	<p>During the year, the Modaraba has recognized revenue from ijarah of Rs.1.255 billion which is approximately 16% higher as compared to previous year and it represents 59% of total revenue.</p> <p>When identifying and assessing the risk relating to revenue recognition, our focus was whether the revenue recorded by the management actually occurred during the year and properly recorded in the correct accounting period.</p> <p>Considering the aforementioned reasons together with growth in revenue during the year, we have identified this area as a key audit matter.</p>	<ul style="list-style-type: none"> Reviewed contracts with customers to obtain an understanding of terms particularly relating to period of contract and rates and assessed the appropriateness of revenue recognition policies and practices followed by the Modaraba. Performed substantive audit procedures including analytical procedures and test of details over revenue transactions alongwith review of related supporting documents, including invoices and hours log sheets. Performed cut-off procedures to ensure that revenue is recognized in the correct accounting period.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Modaraba Company for the Financial Statements

Management of the Modaraba Company is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 (XXXI of 1980) and for such internal control as management of the Modaraba Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the Modaraba Company is responsible for assessing the Modaraba's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management of the Modaraba Company either intends to liquidate the Modaraba or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Modaraba Company are responsible for overseeing the Modaraba's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurances about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Modaraba's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Modaraba Company;
- Conclude on the appropriateness of the management of the Modaraba Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Modaraba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Modaraba to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors of the Modaraba Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors of the Modaraba Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors of the Modaraba Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the Modaraba Company in respect of the Modaraba as required by Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 (XXXI of 1980);
- b) the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the cash flow statement together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 (XXXI of 1980) and are in agreement with the books of account;

◆ YOUSUF ADIL

Yousuf Adil
Chartered Accountants

- c) business conducted, investments made, expenditure incurred and guarantees extended during the year by the Modaraba were in accordance with the objects, terms and conditions of the Modaraba; and
- d) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Modaraba and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Shafqat Ali.


Chartered Accountants

Place: Karachi
Date: September 27, 2024
UDIN: AR202410186x8KkJeTVR

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)
ASSETS			
Non-current assets			
Tangible assets	6	1,327,101,984	1,305,252,475
Right-of-use assets	7	72,231,370	85,186,650
Intangible assets	8	-	-
Long term deposits	9	5,028,000	5,028,000
Long-term loan		4,635,714	-
		<u>1,408,997,068</u>	<u>1,395,467,125</u>
Current assets			
Stores, spares and loose tools	10	154,052,819	74,450,140
Trade debtors	11	282,355,128	237,873,784
Unbilled revenue - contract assets		50,014,359	44,712,830
Taxation - net	12	-	3,611,445
Loans, advances, prepayments and other receivable	13	74,043,115	76,240,882
Tax refunds due from Government	14	105,635,177	105,635,177
Cash and bank balances	15	256,426,656	246,423,197
Total current assets		<u>922,527,254</u>	<u>788,947,455</u>
TOTAL ASSETS		<u>2,331,524,322</u>	<u>2,184,414,580</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Authorised capital			
75,000,000 certificates of Rs. 10/- each		<u>750,000,000</u>	<u>750,000,000</u>
Issued, subscribed and paid up capital	16	<u>750,000,000</u>	<u>750,000,000</u>
Statutory reserves	17	<u>243,433,255</u>	<u>199,759,080</u>
Unappropriated profit		<u>403,191,280</u>	<u>303,494,578</u>
Total capital and reserves		<u>1,396,624,535</u>	<u>1,253,253,658</u>
Non-current liabilities			
Diminishing musharika financing	18	<u>208,908,596</u>	<u>331,921,998</u>
Lease liabilities	19	<u>68,113,345</u>	<u>76,924,304</u>
Deferred taxation	20	<u>66,581,780</u>	<u>58,149,224</u>
		<u>343,603,721</u>	<u>466,995,526</u>
Current liabilities			
Current portion of diminishing musharaka financing	18	<u>129,520,305</u>	<u>176,934,471</u>
Current portion of lease liabilities	19	<u>17,003,320</u>	<u>10,529,266</u>
Creditors, accrued and other liabilities	21	<u>426,887,829</u>	<u>271,598,844</u>
Advance from customer - contract liabilities		<u>13,512,840</u>	<u>4,942,361</u>
Taxation - net	12	<u>4,039,202</u>	<u>-</u>
Unclaimed dividend		<u>332,570</u>	<u>160,454</u>
		<u>591,296,066</u>	<u>464,165,396</u>
TOTAL EQUITY AND LIABILITIES		<u>2,331,524,322</u>	<u>2,184,414,580</u>
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes from 1 to 46 form an integral part of these financial statements.

For Eman Management (Private) Limited (Modaraba Management Company)



Chief Financial Officer



Chief Executive Officer



Director



Director

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)
Ijarah rentals - net	23	1,254,740,655	1,079,276,419
Operation and maintenance income - net	24	867,482,295	682,525,821
		<u>2,122,222,950</u>	<u>1,761,802,240</u>
Operating expenses	25	(1,544,446,464)	(1,273,175,946)
Gross Profit		<u>577,776,486</u>	<u>488,626,294</u>
Administrative expenses	26	(55,271,212)	(51,944,798)
Other expenses	27	(233,000)	(14,945,050)
Other income	28	56,658,691	25,034,297
Finance costs	29	(119,448,309)	(92,216,076)
Impairment loss on financial assets	11.2.1 to 11.3.1	-	(22,926,402)
		<u>(118,293,830)</u>	<u>(156,998,029)</u>
		459,482,656	331,628,265
Modaraba Management Company's fees	30	(45,948,266)	(33,162,827)
Provision for Sindh Sales tax on Modaraba Management fees		(5,973,275)	(4,311,168)
Provision for Sindh Workers' Welfare Fund		(8,151,222)	(5,883,085)
Profit before levies and taxation		<u>399,409,893</u>	<u>288,271,185</u>
Levies	31	(34,527,755)	(1,909,499)
Profit before taxation		<u>364,882,138</u>	<u>286,361,686</u>
Taxation	32	(146,511,261)	(98,860,138)
Profit for the year		<u>218,370,877</u>	<u>187,501,548</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>218,370,877</u>	<u>187,501,548</u>
Earnings per certificate - basic and diluted	33	<u>2.91</u>	<u>2.50</u>

The annexed notes from 1 to 46 form an integral part of these financial statements.

**For Eman Management (Private) Limited
(Modaraba Management Company)**



Chief Financial Officer



Chief Executive Officer



Director



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

Note	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)
Cash flows from operating activities		
Profit before levies and taxation	399,409,893	288,271,185
Adjustments for:		
Depreciation on tangible assets	158,412,314	169,742,620
Depreciation on right-of-use assets	22,594,495	17,087,513
Amortization on intangible assets	-	56,501
Impairment loss on financial assets	-	22,926,402
Provision for stores, spares and loose tools	-	16,814,398
Finance costs	119,448,309	92,216,076
Unrealized exchange gain on foreign currency - net	(363,694)	-
Gain on disposal of tangible assets	(3,184,210)	(147,700)
Modaraba Management Company's fee	45,948,266	33,162,827
Provision for Sindh Sales tax on Modaraba Management fees	5,973,275	4,311,168
Provision for Sindh Workers' Welfare Fund	8,151,222	5,883,085
Income on term deposit receipts	(40,888,846)	(14,939,927)
Income on deposits with banks	(9,929,657)	(9,946,670)
	<u>306,161,474</u>	<u>337,166,293</u>
Cash generated before working capital changes	705,571,367	625,437,478
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(79,602,679)	(5,191,833)
Unbilled revenue	(5,301,529)	(19,045,549)
Trade debtors	(44,481,344)	(2,854,268)
Long term deposits	-	(330,000)
Long-term loan	(4,635,714)	-
Loans, advances, prepayments and other receivables	1,857,511	14,236,232
	<u>(132,163,755)</u>	<u>(13,185,418)</u>
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	146,251,434	(224,454,411)
Advance from customer - contract liabilities	8,570,479	(881,942)
Cash generated from operations	<u>728,229,525</u>	<u>386,915,707</u>
Income tax paid	(130,428,058)	(95,775,279)
Levies paid	(34,527,755)	(1,909,499)
Finance cost paid	(119,586,380)	(79,122,426)
Purchased tangible assets for ijarah	(139,713,203)	(73,464,168)
Modaraba Management Company's fee paid	(33,162,827)	(32,322,033)
Net cash generated from operating activities	<u>270,811,302</u>	<u>104,322,302</u>
Cash flows from investing activities		
Purchased tangible assets for own use	(44,703,460)	(13,558,470)
Proceeds from disposal of tangible assets	7,339,050	987,700
Income on term deposit received	40,888,846	13,426,003
Income on bank deposits received	10,269,913	8,432,746
Net cash generated from investing activities	<u>13,794,349</u>	<u>9,287,979</u>
Cash flows from financing activities		
Diminishing musharaka financing obtained	-	340,000,000
Repayment of diminishing musharaka financing	(170,427,568)	(262,190,956)
Repayment of lease liabilities	(29,346,740)	(19,531,644)
Dividend paid	(74,827,884)	(1,390)
Net cash (used in) / generated from financing activities	<u>(274,602,192)</u>	<u>58,276,010</u>
Net increase in cash and cash equivalents	<u>10,003,459</u>	<u>171,886,291</u>
Cash and cash equivalents at beginning of the year	<u>246,423,197</u>	<u>74,536,906</u>
Cash and cash equivalents at end of the year	<u>256,426,656</u>	<u>246,423,197</u>

The annexed notes from 1 to 46 form an integral part of these financial statements.

For Eman Management (Private) Limited (Modaraba Management Company)



Chief Financial Officer



Chief Executive Officer



Director



Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024**

	Paid-up certificate capital	Statutory reserve*	Unappropriated profit	Total
(Rupees)				
Balance as at June 30, 2022	750,000,000	162,258,770	153,493,340	1,065,752,110
Profit for the year	-	-	187,501,548	187,501,548
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	187,501,548	187,501,548
Transfer to statutory reserve	-	37,500,310	(37,500,310)	-
Balance as at June 30, 2023	750,000,000	199,759,080	303,494,578	1,253,253,658
Profit for the year	-	-	218,370,877	218,370,877
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	218,370,877	218,370,877
Transfer to statutory reserve	-	43,674,175	(43,674,175)	-
Transactions with owners				
Distribution for the year ended June 30, 2023 @Re.1 per certificate	-	-	(75,000,000)	(75,000,000)
Balance as at June 30, 2024	<u>750,000,000</u>	<u>243,433,255</u>	<u>403,191,280</u>	<u>1,396,624,535</u>

* Statutory reserves represents profit set aside at the discretion of the management as allowed under the Modaraba Regulations, 2021 issued by Securities and Exchange Commission of Pakistan.

The annexed notes from 1 to 46 form an integral part of these financial statements.

**For Eman Management (Private) Limited
(Modaraba Management Company)**



Chief Financial Officer



Chief Executive Officer



Director



Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

Orient Rental Modaraba (the Modaraba) is a multipurpose and perpetual modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Eman Management (Private) Limited (the Modaraba Management Company). The Modaraba Management Company is incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is registered with the Registrar of Modaraba Companies and Modaraba under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The Modaraba was formally listed on November 17, 2017 on Pakistan Stock Exchange Limited. After receiving the certificate of minimum subscription the Modaraba commenced its operations with effect from November 24, 2017. The Modaraba is primarily engaged in the business of ijarah, operation and maintenance services.

The geographical location and address of Modaraba's business units are as follows:

Registered office

Plot No. 9, Sector 24, Korangi Industrial Area, Karachi.

Other offices

S.no Address

- | | |
|---|---|
| 1 | 1st Floor, Sulaiman Centre, Plot No SC-5, Sector 15, at Brookes Chowrangi, Karachi, Pakistan. |
| 2 | 1 KM, Defence Road, Off, Raiwind Road Lahore, Pakistan. |

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas;
- Provisions of and directives issued under the Companies Act, 2017; and
- Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021 and directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Where provisions of and directives issued under the Companies Act, 2017, Modaraba Companies and Modaraba (Floatation and Control) Ordinance 1980, the Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations, 2021 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) differ from the requirements of International Financial Reporting Standards (IFRS) the provisions of and directives issued under the Companies Act, 2017, Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations, 2021 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) shall be followed.

During the year, SECP amended the Modaraba Companies and Modaraba Rules, 1981 through SRO 203, 2024 dated February 15, 2024, and changed the nomenclature of the financial statements by changing the Balance Sheet to Statement of Financial Position and Profit and Loss Account to Statement of Profit and Loss and Other Comprehensive Income. Further, previously two separate statements were being presented for Profit and Loss and Other Comprehensive Income, due to above amendment now single statement is prepared for profit and loss and other comprehensive income.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless stated otherwise.

2.3 Functional and presentation currency

Items included in the financial statements of the Modaraba are measured using the currency of the primary economic environment in which the Modaraba operates (the functional currency). These financial statements are presented in Pakistan Rupee, which is the Modaraba's functional and presentation currency.

Amounts have been presented and rounded off to the nearest Pakistan rupees unless otherwise stated.

2.4 Amendments to accounting standards that are effective for the year ended June 30, 2024

The following new accounting standards and amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Modaraba's operations or are not expected to have significant impact on the Modaraba's financial statements other than certain additional disclosures.

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies

Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.

Amendments to IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules

Due to the adoption of Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies effective from January 01, 2023. The word 'significant' has been replaced with 'material' as reflected in related note of accounting policies (note 5). Although the amendments did not result in any changes to the accounting policies themselves.

2.5 New standard and amendments to accounting standards that are not yet effective

The following new accounting standard and amendments are only effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Modaraba's operations or are not expected to have significant impact on the Modaraba's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
- Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments Disclosures' - Supplier Finance Arrangements	January 01, 2024
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 – 'Insurance Contracts' (including amendments made in June 2020 and December 2021)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' - Classification and measurement of financial instruments	January 01, 2026

Other than the aforesaid amendments, IASB has also issued following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

3. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

The preparation of financial statements in conformity with the accounting and reporting standards requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying the Modaraba's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In the process of applying the Modaraba's accounting policies, management has made the following estimates and judgements which are significant to the financial statements.

3.1 Useful lives, pattern of flow of economic benefits and impairment of tangible and intangible assets

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis by the management of the Modaraba. Further, the Modaraba reviews the value of the assets for possible impairment on an annual basis and any change in the estimates in the future might affect the carrying amount of respective item of tangible and intangible assets, with a corresponding effect on the depreciation / amortization charge and impairment.

3.2 Impairment loss on financial assets

The Modaraba reviews its doubtful debtors at each reporting date to assess whether provision should be recorded in the profit and loss account in addition to the mandatory provision required in accordance with the Modaraba Regulations, 2021 issued by the SECP. In particular, judgement by management is required in the estimates of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions. The Modaraba also takes into account the implication of IFRS-9 in its recognition of Expected Credit Loss while considering the aging analysis using factors that are based on assumptions.

3.3 Provision against slow moving stores, spares and loose tools

The Modaraba reviews the net realisable value of stores, spares and loose tools to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stores and spares with a corresponding effect on the profit and loss account of those future years.

The Modaraba exercises judgement and makes provision for slow moving stores, spares and loose tools based on their future usability.

3.4 Right of use assets and their related lease liabilities

The Right of use assets includes initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. Right of use assets are depreciated over the shorter period of lease term and useful life of the right of use assets. Further, the

Modaraba remeasure the lease liability when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate. The corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit and loss account if the carrying amount of right-of-use assets has been reduced to zero.

4. ADOPTION OF NEW ACCOUNTING POLICY

4.1 Accounting for minimum taxes and final taxes

'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide) was issued by the Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 which is applicable for the reporting year ending on June 30, 2024 and onwards.

In the given guide it has been stated that minimum taxes and final taxes which are charged as per the provisions of the Income Tax Ordinance, 2001 previously were accounted for and presented as income taxes within the scope of IAS 12 'Income taxes'. However, as per IAS 12, income taxes include all domestic and foreign taxes which are based on taxable profits. Whereas the term taxable profits / (losses) as per IAS 12 states that "taxable profit (tax loss) is the profit (loss) for a period, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable (recoverable)."

In continuation of this, the guide has referred para BC4 of IFRIC 21 'Levies' where it is further clarified that taxes whose calculation is based on gross amounts such as revenue do not meet the definition of income taxes since it is not based on taxable profits hence these are considered as 'Levies' as per IFRIC 21.

In view of the above clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The guide issued by ICAP provides two approaches to account for minimum and final taxes, which is a choice of accounting policy of which the Modaraba has chosen the following:

Approach (b):

Designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

Under approach (b) i.e. when the excess is treated as a 'levy', the effective rate of income tax is equal to the enacted rate of income tax.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit and loss and other comprehensive income and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guide stated in preceding paragraphs of this guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'taxation-net'.

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result in re-statement of financial statements since deferred tax liability recognised in the year ended June 30, 2023 was already at enacted rate and the application of this guide did not result any material differences except for reclassifications which are presented as below:

	Current Classification	Previous Classification
	(Rupees)	
Effect on statement of financial position		
As at June 30, 2023		
Taxation -net		
Levies - minimum taxes	(1,909,499)	-
Provision for taxation	-	(1,909,499)
	<u>(1,909,499)</u>	<u>(1,909,499)</u>

Effect on statement of profit and loss and other comprehensive income

For the year ended June 30, 2023

Taxation:

- Current year	92,091,016	94,000,515
- Deferred tax	6,769,122	6,769,122
Levies		
- Under section 153	1,909,499	-
	<u>100,769,637</u>	<u>100,769,637</u>

Effect on Cash Flow Statement

For the year ended June 30, 2023

Income tax paid	95,775,279	97,684,778
Levies paid	1,909,499	-
	<u>97,684,778</u>	<u>97,684,778</u>

In addition to above, the effective tax rate for deferred tax has been calculated as per the guide which is not materially different from tax rate used for calculation of deferred tax. Therefore, comparative figures have not been restated.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These have been consistently applied to all the years presented, unless otherwise stated.

5.1 Tangible assets

5.1.1 Own use

These are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the items.

The cost of replacing part of an item of tangible asset is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Modaraba and its cost can be measured reliably.

Repairs and maintenance are charged to statement of profit and loss and other comprehensive income as and when incurred. Renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Modaraba and the cost of the item can be measured reliably and the assets so replaced, if any, are retired.

Residual values are determined by the management as the amount it expects to receive currently for the item of property and equipment if these were already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets at the end of their useful life.

Useful life is determined by the management based on expected usage of the assets, expected physical wear and tear, technical and commercial obsolescence and other similar factors. Residual values and useful lives are reviewed, at each financial year end, and adjusted if expectations differ significantly from previous estimates.

Depreciation on tangible assets, is charged to statement of profit and loss and other comprehensive income applying straight line method using the life mentioned in note 6.1. Depreciation is charged from the month of addition and no depreciation is charged in the month of disposal.

Where the carrying amount of an tangible assets are greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of tangible assets are taken to the statement of profit and loss and other comprehensive income in the year in which asset is disposed of.

5.1.2 Assets under ijarah

These are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the items.

The cost of replacing part of an item of tangible assets under ijarah is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Modaraba and its cost can be measured reliably.

Repairs and maintenance are charged to statement of profit and loss and other comprehensive income as and when incurred. Renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Modaraba and the cost of the item can be measured reliably and the assets so replaced, if any, are retired.

Residual values are determined by the management as the amount it expects to receive currently for the item of property and equipment if these were already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets at the end of their useful life.

Useful life is determined by the management based on expected usage of the assets, expected physical wear and tear, technical and commercial obsolescence and other similar factors. Residual values and useful lives are reviewed, at each financial year end, and adjusted if expectations differ significantly from previous estimates.

Depreciation on tangible assets under ijarah is charged to statement of profit and loss and other comprehensive income applying straight line method using the life mentioned in note 6.1. Depreciation is charged from the month of addition and no depreciation is charged in the month of disposal.

Where the carrying amount of tangible assets under ijarah are greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of tangible assets are taken to the statement of profit and loss and other comprehensive income in the year in which asset is disposed of.

5.1.3 Capital work in progress

These are stated at cost less accumulated impairment losses, if any. All expenditures connected with specific assets incurred and advances made during installation and construction period are carried under this head. These are transferred to specific asset as and when the asset is available for its intended use.

5.2 Right-of-use assets and their related lease liabilities

The Modaraba accounts for right-of-use assets acquired under lease agreement by recording the right-of-use assets and related lease liabilities.

The right-of-use asset is initially measured based on the following:

- initial amount of the lease liability;
- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is depreciated on a straight line method over the shorter of lease-term or asset's economic life. The right-of-use asset is reduced by impairment loss, if any, and adjusted for certain re-measurements of the lease liability.

Initially on lease commencement date, the lease liability is measured at the present value of unpaid lease payments. These unpaid lease payments are discounted using profit rate implicit in the lease, if readily determinable. If that rate cannot be readily determined then the incremental borrowing rate is used.

The lease liability is subsequently measured (at amortized cost) by increasing the carrying amount to reflect profit on the lease liability using the effective profit method and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Modaraba's estimate of the amount expected to be payable under a residual value guarantee, or if the Modaraba changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit and loss and other comprehensive income if the carrying amount of right-of-use asset has been reduced to zero.

For short term leases and leases of low / immaterial value assets, the Modaraba recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

5.3 Intangible assets

Intangible assets having an definite useful life are stated at cost less accumulated amortisation and impairment losses, if any.

Costs associated with maintaining these assets are charged to statement of profit and loss and other comprehensive income as and when incurred, however, costs that are directly attributable to the identifiable asset and have probable economic benefits, are recognised as intangible assets.

All intangible assets are estimated to have definite useful lives and are amortized using the straight line method over life mentioned in note 8. Amortization on addition is charged from the month on which asset is available for use up to the month preceding the disposal of asset.

The assets' amortization method and useful lives are reviewed on annual basis. The effect of any adjustment to amortization method and useful lives is recognised prospectively as a change in accounting estimate. Gain or loss on disposal of intangible assets, if any, is taken to the statement of profit and loss and other comprehensive income in the year in which these arise.

5.4 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at lower of cost determined on weighted average basis and net realisable value. Cost comprises invoice value and other cost incurred in bringing the spare parts and loose tools to their present location and condition. Items in transit are stated at cost comprising invoice value plus other charges paid thereon up to the reporting date. The Modaraba reviews the carrying amount of spares and loose tools on a periodic basis and provision is made for slow moving and obsolescence on periodic basis.

5.5 Ijarah rentals and operation and maintenance income receivable

These are stated at amount receivable which is fair value of consideration receivable for services rendered, less an estimate made for doubtful receivables determined at a higher of provision as per Modaraba Regulations 2021, and using expected credit loss model (ECL) as required by IFRS 9 as at reporting date. Balances considered bad and irrecoverable are written off when identified.

5.6 Loan and other receivable

Loans and other receivables are stated initially at fair value and subsequently measured at amortised cost less an allowance for ECL. Allowance for ECL is based on lifetime ECLs that result from all possible default events over the expected life of the loans and other receivables. Bad debts, if any, are written off when considered irrecoverable.

5.7 Staff retirement benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligation for contribution to provident fund are recognized as an employee benefit expense in statement of profit and loss and other comprehensive income as incurred.

The Modaraba has recognised contributory Provident Fund (the Fund) for all its permanent employees. Equal monthly contributions to the Fund is being made both by the Modaraba and by the employees, at the rate of 10% of basic pay.

5.8 Provisions

A provision is recognized in the statement of financial position when the Modaraba has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.9 Financial instruments

5.9.1 Financial assets

5.9.1.1 Recognition and initial measurement of financial assets

Financial assets are recognised in the Modaraba's statement of financial position when the Modaraba becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in statement of profit and loss and other comprehensive income.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

5.9.1.2 Subsequent measurement of financial assets

Financial assets at amortised cost (AC)

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at fair value through other comprehensive income (FVTOCI)

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income (OCI).

For debt instruments classified as financial assets at FVTOCI, the amounts already recognised in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVTOCI, where there is no reclassification on derecognition.

Financial assets at fair value through profit or loss (FVTPL)

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the statement of profit and loss and other comprehensive income.

5.9.1.3 Derecognition of financial assets

The Modaraba derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Modaraba neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Modaraba recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Modaraba retains substantially all the risks and rewards of ownership of a transferred financial asset, the Modaraba continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

5.9.2 Financial liabilities

The financial liabilities are recognised in the Modaraba's statement of financial position when the Modaraba becomes a party to the contractual provisions of the instrument. These include trade payables, accrued and other liabilities and are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

5.9.2.1 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit and loss and other comprehensive income.

5.9.3 Impairment

Financial assets

The Modaraba recognizes a loss allowance for expected credit loss on trade debts using ECL model. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Modaraba always recognizes lifetime ECL for trade debts. The ECL on these financial assets are estimated using a provision matrix based on the modaraba's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the modaraba recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Modaraba measures the loss allowance for that financial instrument at

'an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit and loss and other comprehensive income, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.9.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to off set the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

5.10 Foreign currencies

Transactions in foreign currencies are translated in Pakistan Rupees at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated in Pakistan Rupees at the exchange rates prevailing at the reporting date. Exchange gains and losses are charged to statement of profit and loss and other comprehensive income.

5.11 Revenue recognition

Revenue is recognised to the extent that the economic benefits will flow to the Modaraba i.e. when performance obligation is satisfied and revenue can be reliably measured. Revenue is recognised at fair value of consideration received or receivable. Revenue from different sources is recognised on the following basis:

5.11.1 Ijarah rentals

Ijarah rentals are recognised as income on an accrual basis, as and when rentals become due on a systematic basis over the Ijarah period i.e. when performance obligation is satisfied and are billed on a monthly basis.

5.11.2 Operation and maintenance services

Revenue from operation and maintenance services is recognised on a systematic basis over the period i.e. when performance obligation is satisfied.

5.11.3 Income on deposit accounts and term deposits with banks

Returns on bank deposits and term deposits are recognized on accrual basis.

5.12 Cash and cash equivalent

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finances and term deposit receipts of less than 3 months.

5.13 Dividend distribution and other appropriations of profit

Profit distributions to the certificate holders and other appropriations of profit are recognized in the period in which these are approved. Transfer to statutory reserve and any of the mandatory appropriations as may be required by law are recognized in the period to which these relate.

5.14 Earnings per certificate

The Modaraba presents earnings per certificate (EPC) data for its certificates. Basic EPC is calculated by dividing the profit or loss attributable to certificate holders of the Modaraba by weighted average number of certificates outstanding during the period. Diluted EPC is determined by adjusting the profit or loss attributable to certificate holders and the weighted average number of certificates outstanding for the effects of all dilutive potential certificates.

5.15 Creditors, accrued and other liabilities

These are recognized and carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

5.16 Diminishing musharaka financing payable

Diminishing musharaka financing payable is recognized initially at cost, less attributable transaction costs. Subsequent to initial recognition, this is stated at original cost less principal repayments.

5.17 Segment Reporting

As per IFRS 8, "Operating Segments", operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer has been identified as the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

A business segment is a distinguishable component of the Modaraba that is engaged in providing related products or services and which is subject to risks and rewards that are different from those of other segments.

The Modaraba's primary format for segment reporting is based on 'business segments' as the Modaraba conducts its operations only in Pakistan.

The Chief Executive Officer is responsible for the Modaraba's entire product portfolio and considers the business to have two operating segments. The Modaraba's asset allocation decisions are based on an integrated investment strategy. The Modaraba's performance is evaluated with respect to the two operating segments.

5.18 Levy

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes minimum taxes differential, if any, final taxes and super taxes which are based on other than taxable profits. The corresponding advance tax paid, except for minimum taxes under section 113, which are treated as levy are recognised in prepaid assets as 'taxation-net'.

i. Minimum taxes

Minimum taxes includes :

- a) minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation and;
- b) minimum tax withheld / collected / paid or computed over tax liability (computed on related income tax streams taxable at general rate of tax), is not adjustable against tax liability of subsequent tax years.

Amount over income tax determined on income streams taxable at general rate of taxation shall be treated as revenue taxes.

The Modaraba determines, based on expected future taxable profits, that excess paid under section 113 by the entity over and above its tax liability (on income stream(s) taxable at general rate of taxation) is expected to be realized in subsequent tax years, then, such excess shall be recorded as deferred tax asset adjustable against tax liability for subsequent tax years. This shall be recognized as 'deferred tax asset' for the reason that it represents unused tax credit as it can be adjusted only against tax liability (of subsequent tax years) arising on taxable income subject to general rate of taxation. Such an asset shall be subject to requirements contained in IAS 12 'Income Tax'.

ii. Final taxes

Final taxes includes tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001 (Ordinance). Final tax is charged / computed under the Ordinance, without

reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the Ordinance.

Final tax paid is considered to be full and final discharge of the tax liability for the Modaraba for a tax year related to that income stream.

5.19 Taxation

i. Current

Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001.

ii. Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the enacted tax rate.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

	Note	2024 ————— (Rupees) —————	2023 ————— (Rupees) —————
6. TANGIBLE ASSETS			
Assets under ijarah	6.1	1,265,798,356	1,272,254,686
Own use	6.1	61,303,628	32,997,789
		1,327,101,984	1,305,252,475

6.1 Tangible assets

Description	-----LIARAH (Note 6.1.3)-----				-----OWN USE-----					Total	
	Generators	Accessories	Machinery and equipments	Sub-total	Electronic appliances	Motor vehicle (Note 6.1.3)	Furniture and fixture	Generators	Leasehold improvements		Sub-total
(Rupees)											
Year ended June 30, 2024											
Opening net book value	1,145,439,615	35,188,041	91,627,030	1,272,254,686	2,577,237	16,337,722	84,830	480,874	13,517,126	32,997,789	1,305,252,475
Additions	122,298,142	17,415,061	-	139,713,203	1,245,319	13,635,730	152,500	-	29,669,911	44,703,460	184,416,663
Cost	-	-	-	-	(849,500)	(6,675,044)	-	-	-	(7,474,544)	(7,474,544)
Accumulated depreciation	-	-	-	-	849,500	2,470,204	-	-	-	3,319,704	3,319,704
Disposals - Net book value	-	-	-	-	-	(4,154,840)	-	-	-	(4,154,840)	(4,154,840)
Depreciation	(121,646,816)	(14,432,289)	(1,090,428)	(146,169,533)	(1,245,152)	(2,674,802)	(73,032)	(153,005)	(8,096,790)	(12,242,781)	(158,412,314)
Closing net book value	1,146,090,941	38,170,813	81,536,602	1,265,798,356	2,577,404	23,143,810	164,298	327,869	35,090,247	61,303,628	1,327,101,984
Cost	1,946,564,837	147,672,081	119,755,165	2,213,992,083	19,422,840	36,610,125	4,070,363	1,639,344	76,202,805	137,945,477	2,351,937,560
Accumulated depreciation	(800,473,896)	(109,501,268)	(38,218,563)	(948,193,727)	(16,845,436)	(13,466,315)	(3,906,065)	(1,311,475)	(41,112,558)	(76,641,849)	(1,024,835,576)
Net book value	1,146,090,941	38,170,813	81,536,602	1,265,798,356	2,577,404	23,143,810	164,298	327,869	35,090,247	61,303,628	1,327,101,984
Year ended June 30, 2023											
Opening net book value	1,240,069,750	48,911,561	59,652,333	1,348,633,644	2,866,755	15,124,362	930,766	743,169	13,544,657	33,209,709	1,381,843,353
Additions	31,696,624	2,400,000	39,367,544	73,464,168	2,639,046	3,587,865	-	-	7,331,559	13,558,470	87,022,638
Transfer from Capital work in progress	3,272,029	-	2,702,600	5,974,629	-	-	-	-	994,475	994,475	6,969,104
Redissified	(1,160,600)	1,160,600	-	-	(1,322,218)	-	-	-	1,322,218	-	-
Cost	(4,136,752)	-	(2,826,786)	(6,963,538)	-	(55,000)	-	-	-	(55,000)	(7,018,538)
Accumulated depreciation	3,296,752	-	2,826,786	6,123,538	-	55,000	-	-	-	55,000	6,178,538
Disposals - Net book value	(840,000)	-	-	(840,000)	-	-	-	-	-	-	(840,000)
Depreciation	(127,598,188)	(17,284,120)	(10,095,417)	(154,977,755)	(1,606,346)	(2,374,505)	(845,996)	(262,295)	(9,675,783)	(14,764,865)	(169,742,620)
Closing net book value	1,145,439,615	35,188,041	91,627,030	1,272,254,686	2,577,237	16,337,722	84,830	480,874	13,517,126	32,997,789	1,305,252,475
Cost	1,824,266,695	130,257,020	119,755,165	2,074,278,880	19,027,021	29,599,439	3,917,863	1,639,344	46,532,894	100,716,561	2,174,995,441
Accumulated depreciation	(678,827,080)	(95,068,979)	(28,128,135)	(802,024,194)	(16,449,784)	(13,261,717)	(3,833,033)	(1,158,470)	(33,015,768)	(67,718,772)	(869,742,966)
Net book value	1,145,439,615	35,188,041	91,627,030	1,272,254,686	2,577,237	16,337,722	84,830	480,874	13,517,126	32,997,789	1,305,252,475
Depreciation rate	5%	10% - 50%	10%		33%	20%	25%	5% - 20%	20% - 25%		

6.1.1 Above assets include fully depreciated assets costing Rs. 158,219 million (2023: Rs. 115,823 million) still in the Modaraba's use.

6.1.2 Additions include generators acquired by the Modaraba amounting to Rs. 10 million (2023: Rs. 20 million) from Orient Energy Systems (Private) Limited, an associated company.

6.1.3 This includes generators, machinery and equipment, and motor vehicles taken under Diminishing Musharika amounting to Rs. 640,743 million (2023: Rs. 697,548 million), Rs. 79,372 million (2023: Rs. 87,982 million) and Rs. nil million (2023: Rs. 4,380 million) respectively.

6.1.4 Depreciation has been allocated as follows:	Note	2024	2023
		(Rupees)	
Operating Expenses	25	157,173,071	167,918,686
Administrative Expenses	26	1,239,243	1,823,934
		<u>158,412,314</u>	<u>169,742,620</u>

6.1.5 Disposals of tangible assets

Particulars	Cost	Accumulated depreciation	Carrying value	Sale proceeds	Gain	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Modaraba
————— (Rupees) —————								
Vehicles								
Super Power bike	53,200	(41,673)	11,527	15,000	3,473	Negotiation	Mr. Saadi ur Rehman	None
Super Power bike	28,480	(5,896)	22,584	30,000	7,416	Negotiation	Mr. Saadi ur Rehman	None
Super Power bike	86,864	(1,448)	85,416	94,050	8,634	Negotiation	Takaful claim	None
Toyota Revo Hilux	6,456,500	(2,421,187)	4,035,313	6,850,000	2,814,687	Negotiation	Mr. Farukh Siddique	Operational Director
	<u>6,625,044</u>	<u>(2,470,204)</u>	<u>4,154,840</u>	<u>6,989,050</u>	<u>2,834,210</u>			
Electronic Appliances								
Floor Standing Inverter AC	849,500	(849,500)	-	350,000	350,000	Exchange	Afsar AC Service	None
	<u>7,474,544</u>	<u>(3,319,704)</u>	<u>4,154,840</u>	<u>7,339,050</u>	<u>3,184,210</u>			
2024	<u>7,474,544</u>	<u>(3,319,704)</u>	<u>4,154,840</u>	<u>7,339,050</u>	<u>3,184,210</u>			
2023	<u>7,018,538</u>	<u>(6,178,538)</u>	<u>840,000</u>	<u>987,700</u>	<u>147,700</u>			

7 RIGHT-OF-USE ASSETS
Cost

Opening balance	140,271,790	53,074,035
Addition during the year	9,639,215	87,197,755
Closing balance	<u>149,911,005</u>	<u>140,271,790</u>

Less: Accumulated depreciation

Opening balance		55,085,140	37,997,627
Charge for the year	7.1	22,594,495	17,087,513
Closing balance		<u>77,679,635</u>	<u>55,085,140</u>
Carrying value		<u>72,231,370</u>	<u>85,186,650</u>

7.1 Depreciation is charged using lease term of 2 - 5 years applying straight line basis and has been charged in operating expenses.

Note

2024	2023
————— (Rupees) —————	

	Note	2024 ————— (Rupees) —————	2023 —————
8 INTANGIBLE ASSETS			
Software and license			
Cost		838,370	838,370
Amortization			
- Opening		838,370	781,869
- For the year	26	-	56,501
Accumulated amortization		838,370	838,370
Net book value as at June 30	8.1	-	-
Annual amortization rate		50%	50%
8.1	It represents ERP software which is fully amortized and still in use.		
9 LONG TERM DEPOSIT			
Security deposit	9.1	5,028,000	5,028,000
9.1	It represents security deposit against lease of Lahore and Karachi yard.		
10 STORES, SPARE AND LOOSE TOOLS			
Stores, spares and loose tools		169,369,366	90,202,288
Provision for stores, spares and loos tools		(16,814,398)	(16,814,398)
		152,554,968	73,387,890
Stores, spares and loose tools - in transit		1,497,851	1,062,250
		154,052,819	74,450,140
11 TRADE DEBTORS			
Ijarah rentals	11.2	128,509,560	165,921,640
Operation and maintenance income	11.3	183,854,198	101,960,774
		312,363,758	267,882,414
Impairment loss on financial assets	11.2.1 to 11.3.1	(30,008,630)	(30,008,630)
		282,355,128	237,873,784

11.1 Trade debtors include exposure which are secured by way of security deposits of Rs. 4.460 million (2023: Rs. 4.460 million).

	Note	2024 ----- (Rupees) -----	2023 -----
11.2 Ijarah rentals			
Considered good		109,961,485	147,373,565
Considered doubtful - classified portfolio		18,548,075	18,548,075
		<u>128,509,560</u>	<u>165,921,640</u>
Impairment loss on ijarah rentals	11.2.1	(18,548,075)	(18,548,075)
		<u>109,961,485</u>	<u>147,373,565</u>
11.2.1 Impairment loss on ijarah rentals			
Opening balance		18,548,075	12,142,164
Charged during the year		-	20,202,917
Written off During the year		-	(13,797,006)
Closing balance		<u>18,548,075</u>	<u>18,548,075</u>
11.3 Operation and maintenance income			
Considered good		172,393,643	90,500,219
Considered doubtful - classified portfolio		11,460,555	11,460,555
		<u>183,854,198</u>	<u>101,960,774</u>
Impairment loss on operation and maintenance	11.3.1	(11,460,555)	(11,460,555)
		<u>172,393,643</u>	<u>90,500,219</u>
11.3.1 Impairment loss on operation and maintenance			
Opening balance		11,460,555	9,067,670
Charged during the year		-	2,723,485
Written off During the year		-	(330,600)
Closing balance		<u>11,460,555</u>	<u>11,460,555</u>

11.4 As at the reporting date, the provision has been recognized based on expected credit loss (ECL) as the higher of provision under the Modaraba Regulations 2021 and IFRS 9 'Financial Instruments'.

	Note	2024 ————— (Rupees) —————	2023 —————
12 TAXATION - NET			
Advance tax		168,567,258	97,611,960
Provision for taxation		(138,078,705)	(92,091,016)
Levies - minimum taxes		(34,527,755)	(1,909,499)
		<u>(4,039,202)</u>	<u>3,611,445</u>
13 LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLE			
Takaful claim receivable		3,290,712	6,194,048
Sales tax receivables		38,274,467	32,361,095
Loans to staff	13.1	4,941,002	6,021,692
Advances		9,228,768	16,947,534
Earnest money		2,685,517	2,473,517
Prepayments		9,079,503	3,436,132
Security deposits		5,369,478	7,292,940
Profit receivable from bank		1,173,668	1,513,924
		<u>74,043,115</u>	<u>76,240,882</u>
13.1	Loans are provided to staff for emergency purpose and are unsecured. Non current portion amounts to Rs. 4.635 million.		
14 TAX REFUNDABLE DUE FROM GOVERNMENT			
Income tax refundable	14.1	<u>105,635,177</u>	<u>105,635,177</u>
	This represents income tax refundable due from government for the years upto June 30, 2024.		
14.1	The ageing of tax refund from government at the year-end was as follows:		
Tax Year 2018		5,390,006	5,390,006
Tax Year 2019		73,893,877	73,893,877
Tax Year 2020		17,988,940	17,988,940
Tax Year 2021		8,362,354	8,362,354
		<u>105,635,177</u>	<u>105,635,177</u>

	Note	2024 ————— (Rupees) —————	2023 —————
15 CASH AND BANK BALANCES			
With banks			
- in deposit accounts	15.1	247,467,381	100,395,699
- in current accounts		8,738,676	5,370,866
- term deposit receipts	15.2	-	140,000,000
		<u>256,206,057</u>	<u>245,766,565</u>
Cash in hand		<u>220,599</u>	<u>656,632</u>
		<u>256,426,656</u>	<u>246,423,197</u>

15.1 These balances carry profit at rates ranging from 7% to 10% (2023: 5% to 7%) per annum.

15.2 It represented term deposit receipts placed for 30 days at profit rate ranging from 20.25% to 21% (2023: 19.55% to 19.75%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024 ————— (Rupees) —————	2023 —————
Number of certificates	Number of certificates			
<u>75,000,000</u>	<u>75,000,000</u>	Modaraba certificates of Rs. 10 each fully paid in cash	<u>750,000,000</u>	<u>750,000,000</u>

16.1 EMAN Management (Private) Limited (the Management Company) and ASJN Holdings (Private) Limited holds 7,500,000 (10%) certificates and 5,000,000 (6.67%) certificates of Rs. 10 each respectively.

17 STATUTORY RESERVE

Statutory reserve represents profits set aside at the discretion of the management as allowed under the Modaraba Regulations, 2021 issued by Securities and Exchange Commission of Pakistan.

	Note	2024 ————— (Rupees) —————	2023 —————
18 DIMINISHING MUSHARAKA FINANCING			
Secured			
Diminishing musharaka financing	18.1	338,428,901	508,856,469
Current portion shown in current liabilities		(129,520,305)	(176,934,471)
		<u>208,908,596</u>	<u>331,921,998</u>
18.1 Movement in diminishing musharaka financing			
Opening Balance		508,856,469	431,047,425
Obtained during the year		-	340,000,000
Repaid during the year		(170,427,568)	(262,190,956)
Closing Balance		<u>338,428,901</u>	<u>508,856,469</u>
18.2	These facilities are secured against the hypothecation of assets under ijarah of Rs.1,263.200 million (2023: Rs.1,263.200 million). Share of profit payable on these facilities is 16% to 24.47%. As at reporting date, total approved facilities stand at Rs. 807.500 million, unutilize facilities of Rs. 300 million.		
19 LEASE LIABILITIES			
Lease liabilities		85,116,665	87,453,570
Current portion shown in current liabilities		(17,003,320)	(10,529,266)
		<u>68,113,345</u>	<u>76,924,304</u>
19.1 Movement			
Balance at the July 01,		87,453,570	16,086,149
Additions during the year		9,639,215	87,197,755
Finance cost accrued		17,370,620	3,701,310
Repayment		(29,346,740)	(19,531,644)
Balance as at June 30,		<u>85,116,665</u>	<u>87,453,570</u>
Current portion shown in current liabilities		(17,003,320)	(10,529,266)
Non-current portion shown in non-current liabilities		<u>68,113,345</u>	<u>76,924,304</u>
19.2 Maturity analysis			

The future minimum lease payments under the lease agreements and the periods in which they will become due are as follows:

	2024		2023	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	(Rupees)			
Not later than 1 year	32,682,167	17,003,320	26,296,740	10,529,266
Later than one year	86,215,962	68,113,345	107,219,829	76,924,304
	118,898,129	85,116,665	133,516,569	87,453,570
Financial charges allocable to future periods	(33,781,464)	-	(46,062,999)	-
	85,116,665	85,116,665	87,453,570	87,453,570
Current portion	(17,003,320)	(17,003,320)	(10,529,266)	(10,529,266)
	68,113,345	68,113,345	76,924,304	76,924,304

It represents lease liabilities against the right-of-use assets recognized with respect to rental premises. All the future rentals have been discounted at the Modaraba's weighted average borrowing rate to recognize the right-of-use assets and related lease liabilities.

20 DEFERRED TAXATION

	Opening balance	Recognised in statement of profit and loss and other comprehensive income	Closing balance
	(Rupees)		
Movement for the year ended June 30, 2024			
Taxable temporary differences in respect of:			
- accelerated tax depreciation	80,122,953	17,059,528	97,182,481
- right-of-use assets	27,259,728	(1,978,748)	25,280,980
	107,382,681	15,080,780	122,463,461
Deductible temporary differences in respect of:			
Provision for:			
- creditors, accrued and other liabilities	6,262,733	3,440,055	9,702,788
- provision of trade debtors	9,602,762	900,259	10,503,021
- stores, spares and loose tools	5,380,607	504,432	5,885,039
- lease liabilities	27,987,355	1,803,478	29,790,833
	49,233,457	6,648,224	55,881,681
Deferred tax liability	58,149,224	8,432,556	66,581,780

	Opening balance	Recognised in statement of profit and loss and other comprehensive income (Rupees)	Closing balance
Movement for the year ended June 30, 2023			
Taxable temporary differences in respect of:			
- accelerated tax depreciation	66,122,949	14,000,004	80,122,953
- right-of-use assets	3,025,534	24,234,194	27,259,728
	69,148,483	38,234,198	107,382,681
Deductible temporary differences in respect of:			
Provision for:			
- creditors, accrued and other liabilities	6,878,384	(615,651)	6,262,733
- amortisation on intangible assets	74,162	(74,162)	-
- provision of trade debtors	6,150,852	3,451,910	9,602,762
- stores, spares and loose tools	-	5,380,607	5,380,607
- lease liabilities	4,664,983	23,322,372	27,987,355
	17,768,381	31,465,076	49,233,457
Deferred tax liability	51,380,102	6,769,122	58,149,224

2024 **2023**
----- (Rupees) -----

21 CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors	21.1	187,253,582	87,629,922
Accrued expenses	21.2	75,275,767	65,052,837
Other liabilities			
Remuneration payable to Modaraba Management Company		45,948,266	33,162,827
Deposits from customer		10,703,921	10,456,508
Withholding income tax payable		9,371,925	3,556,046
Sales tax payable		36,239,249	25,251,635
Tax payable		5,557,925	5,557,925
Payable to Provident Fund	21.3	8,499,878	7,018,325
Provision for Sindh Workers' Welfare Fund	21.4	27,722,250	19,571,028
Provision for indirect taxes	21.5	20,315,066	14,341,791
		164,358,480	118,916,085
		426,887,829	271,598,844

21.1 This amount includes Rs. 130.034 million (2023: Rs. 78.249 million) related to spare parts and loose tools, service and maintenance charges, overhauling / purchase of generators, accessories and equipment from Orient Energy Systems (Private) Limited, an associated company and Rs. 9.672 million related to purchase of spare parts and loose tools from Orient Energy Systems FZCO.

21.2 This includes accrual of financial charges of Rs. 17.210 million (2023: Rs. 17.348 million) in respect of diminishing musharaka facilities availed by the Modaraba.

21.3 The Modaraba operates defined contribution provident fund (the Fund) maintained for its permanent employees. Equal monthly contributions at the rate of 10% of the basic salary are made to the Fund both by the Modaraba and the employees.

The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and conditions specified thereunder.

21.4 As a consequence of the 18th amendment to the Constitution, levy for the WWF was introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on May 21, 2015, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF.

The Modaraba is of the view that Sindh WWF Act is limited to the province of Sindh and the definition of total income as provided in the SWWF encompasses the total income of an assessee for whole of the country i.e. for all provinces, thus in lieu of the definition of the total income under SWWF, 2% contribution to be paid is not limited to the province of Sindh. The Modaraba has its operations all across Pakistan therefore total income declared in its tax return is a cumulative sum of income for all provinces. Thus, for this reason the definition of total income as provided in SWWF is not correct and charging SWWF is ultra vires of the legislative power conferred upon the province of Sindh.

As a result, the Modaraba is of the view that unless there is a mechanism of apportionment of the total income relevant to the province of Sindh, SRB has no legal authority to demand and / or collect SWWF from the Modaraba. However, the Modaraba as a matter of abundant precaution has maintained provision for SWWF amounting to Rs. 27.722 million (2023: Rs. 19.571 million) in these financial statements.

21.5 The Sindh Revenue Board (SRB) has imposed Sindh Sales Tax on the Modaraba Management Company's remuneration with effective from November 1, 2011. In view of the fact that the remuneration is profit sharing rather than a fixed fee against rendering of management services by the Modaraba Management Company. The NBF and Modaraba Association of Pakistan, on behalf of a number of Modarabas filed a constitutional petition in the High Court of Sindh against which the High Court of Sindh granted an interim stay order. Subsequently, the High Court of Sindh, in its judgment dated April 27, 2015, directed the NBF and Modaraba Association of Pakistan to seek remedy in accordance with the law.

Based on the above the Modaraba has not made any payments to SRB in respect of SST on management fee, however, the same is being charged and recognized in these financial statements.

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

22.1.1 The Assistant Commissioner – Sindh Revenue Board (SRB) issued an order 408 of 2019 demanding Sindh Sales Tax of Rs. 51.4 million including penalty amounting to Rs. 2.5 million for Ijara Rental income of the Modaraba without considering that the Modaraba are operating in other provinces where Sindh Sales Tax Act, 2011 is not applicable and without considering that Sindh Government has inserted renting of machinery, equipment, appliances and other tangible goods in Second Schedule of Sindh Sales Tax on Services Act, 2011 at the rate of 13% by Finance Act 2019-20. Further by notification number SRB-3-4/21/2019 dated July 01, 2019 the Sindh Government has also introduced reduced rate of 5% on above-mentioned services; however, input adjustment will not be allowed. The Modaraba has lodged appeal number 306/2019 with Commissioner Appeals dated January 01, 2020 and simultaneously the Modaraba has lodged constitutional petition number D-352 of 2020 with High Court of Sindh for pursuing case legally and High Court of Sindh has provided stay against SRB order B15 for taking any coercive action against Modaraba via its order number 15212223 / 2020 dated January 01, 2020.

During the year, The Assistant Commissioner – Sindh Revenue Board (SRB) issued an order# 6316 of 2023 demanding Sindh Sales Tax of Rs. 107.53 million including penalty amounting to Rs. 5.37 million for Ijara Rental income of the Modaraba. The Modaraba has lodged appeal number 66/2024 with Commissioner Appeal dated January 18, 2024. The Modaraba has filed an appeal before the Commissioner Appeals SRB against the order of the Assistant Commissioner for the period July 2019 to December 2021 challenging the sales tax charged on renting of Generators in excess of reduce rate provided under the Act. The Commissioner Appeal SRB has rejected the Modaraba Contention and upheld the order of the Assistant Commissioner. The Modaraba has appealed to the Appellate Tribunal against the treatment meted out by the Commissioner Appeals and the learned Tribunal has granted stay from recovery of impugned demand.

The legal advisor of the Modaraba believes that the outcome of the appeal will be in favor of the Modaraba and hence no provision has been made in these financial statements.

22.1.2 Two ex-employees of the Modaraba has filed suits. Amount of claims involved in these cases is Rs.1.335 million.

The Modaraba is of the view that the outcome of the cases would be in favor of the Modaraba therefore no provision has been made in these financial statements.

22.2 Commitments

There were no commitment at the reporting date.

	2024	2023
	(Rupees)	
23 IJARAH RENTALS - NET		
Ijarah rentals	1,421,189,280	1,221,006,598
Less: Sales tax	(166,448,625)	(141,730,179)
	<u>1,254,740,655</u>	<u>1,079,276,419</u>

	Note	2024 ————— (Rupees) —————	2023 —————
24	OPERATION AND MAINTENANCE INCOME - NET		
Operation and maintenance income		993,233,677	769,032,681
Less: Sales tax		(125,751,382)	(86,506,860)
		<u>867,482,295</u>	<u>682,525,821</u>
25	OPERATING EXPENSES		
Salaries and benefits	25.1	890,371,050	756,440,999
Repair, maintenance and related cost		316,089,577	156,400,766
Provision for stores, spares and loose tools		-	16,814,398
Depreciation on tangible assets	6.1.4	157,173,071	167,918,686
Depreciation on right-of-use assets	7	22,594,495	17,087,514
Takaful		52,445,110	74,005,376
Fuel, freight and transportation		54,280,995	45,867,981
Staff accommodation and meals		17,600,546	16,506,051
Short term lease		6,150,261	3,682,720
Utilities and communication		15,123,309	10,959,920
Janitorial expenses		7,066,986	5,525,321
Others		5,551,064	1,966,214
		<u>1,544,446,464</u>	<u>1,273,175,946</u>
25.1	This includes contribution of Rs. 37.831 million (2023: Rs. 32.178 million) to the staff provident fund.		
26	ADMINISTRATIVE EXPENSES		
Salaries and benefits	26.1	32,710,817	29,937,643
Utilities, postage and communication		1,462,381	1,998,393
Printing and stationery		3,157,465	3,004,622
Depreciation on tangible assets	6.1.4	1,239,243	1,823,934
Fee and subscription		2,605,832	2,861,201
Legal and professional charges		3,034,408	3,127,419
Shariah advisor fee		681,878	693,774
Fuel, freight and transportation		3,762,820	2,377,504
Auditors' remuneration	26.2	720,500	657,500
Education and training		-	10,000
Cleaning and maintenance		1,780,268	1,013,433
IT related services		3,840,235	4,032,874
Amortisation on intangible assets	8	-	56,501
Other expenses		275,365	350,000
		<u>55,271,212</u>	<u>51,944,798</u>

26.1 This includes contribution of Rs. 1.892 million (2023: Rs. 1.633 million) to the staff provident.

	2024	2023
	(Rupees)	
26.2 Auditors' Remuneration		
Annual fee	385,000	350,000
Half yearly review fee	192,500	175,000
Certification fee	83,000	80,000
Out of pocket expenses	60,000	52,500
	<u>720,500</u>	<u>657,500</u>
27 OTHER EXPENSES		
Marketing expenses	233,000	55,000
Realized exchange loss on foreign currency - net	-	14,890,050
	<u>233,000</u>	<u>14,945,050</u>
28 OTHER INCOME		
Gain on disposal of tangible assets - net	3,184,210	147,700
Income on deposits with banks	9,929,657	9,946,670
Income on term deposit receipts	40,888,846	14,939,927
Unrealized exchange gain on foreign currency - net	363,694	-
Realized exchange gain on foreign currency - net	2,292,284	-
	<u>56,658,691</u>	<u>25,034,297</u>
29 FINANCE COST		
Profit / Mark-up on:		
- diminishing musharaka financing	101,759,731	88,299,152
- lease liabilities	17,370,620	3,701,310
Bank charges	317,958	215,614
	<u>119,448,309</u>	<u>92,216,076</u>
30 MODARABA MANAGEMENT COMPANY'S FEE		

In accordance with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1981, the Modaraba has accrued management Company's fees at the rate of 10% of profit before levies and taxes during the year which is payable to the Modaraba Management Company amounting to Rs. 45.948 million (2023 Rs. 33.163 million). Furthermore, during the year, an amount of Rs. 5.97 million (2023 Rs. 4.311 million) at the rate of 13% was charged on account of sales tax on management fee levied under Sindh Sales Tax on Services Act, 2011.

	Note	2024 ————— (Rupees) —————	2023 —————
31 LEVIES			
Levies - minimum taxes	31.1	34,527,755	1,909,499
31.1	These represent provision for minimum tax under section 153 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 'Income taxes' issued by ICAP.		
32 TAXATION			
For the year			
Current		137,975,877	92,091,016
Prior		102,828	-
Deferred		8,432,556	6,769,122
		<u>146,511,261</u>	<u>98,860,138</u>
32.1 Relationship between tax expense and accounting profit			
Accounting profit before taxation (Rupees)		364,882,138	286,361,686
Tax rate (%)		<u>29%</u>	<u>29%</u>
Tax on accounting profit		105,815,820	83,044,889
Effect of:			
Super tax		23,653,007	8,590,851
Levies		10,013,049	553,755
Deferred tax effect		8,432,556	6,769,122
Deductible expenses		(61,437,903)	(68,151,726)
Prior year charge		102,828	-
Non-deductible expenses		59,931,904	68,053,247
Tax charge as per accounts		<u>146,511,261</u>	<u>98,860,138</u>
Effective tax rate		<u>35%</u>	<u>32%</u>

	Note	2024 ————— (Rupees) —————	2023 —————
33 EARNINGS PER CERTIFICATE - BASIC AND DILUTED			
33.1 Basic earnings per certificate			
Profit for the year (Rupees)		218,370,877	187,501,548
Weighted average number of certificates outstanding during the year (Number)		75,000,000	75,000,000
Earnings per certificate - Basic and diluted (Rupees)		2.91	2.50
33.2	There were no convertible dilutive potential ordinary certificates outstanding as on June 30, 2024 which have dilutive effect on earnings per certificate.		
34 REMUNERATION TO THE EXECUTIVES			
The aggregate amounts charged in these financial statements for remuneration, including all benefits to executives are given below:			
Particulars			
Remuneration		57,465,214	49,193,111
Bonus		6,727,400	7,480,693
House rent		25,859,345	22,136,900
Vehicle		13,132,184	10,339,287
Provident fund		5,746,968	4,826,149
Medical		7,581,433	8,009,627
Others		606,000	515,050
Total		117,118,544	102,500,817
Number of person		26	21
35 FINANCIAL INSTRUMENTS BY CATEGORY			
Financial assets at amortised cost			
Trade debtors		282,355,128	237,873,784
Unbilled revenue - contract assets		50,014,359	44,712,830
Loans and other receivables		12,519,375	17,474,429
Long term deposits		5,028,000	5,028,000
Cash and bank balances		256,426,656	246,423,197
		606,343,518	551,512,240

	2024	2023
	(Rupees)	
Financial liabilities at amortised cost		
Diminishing musharaka financing	338,428,901	508,856,469
Lease liabilities	85,116,665	87,453,570
Creditors, accrued and other liabilities	319,181,536	196,302,094
Unclaimed dividend	332,570	160,454
	<u>743,059,672</u>	<u>792,772,587</u>

36 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Modaraba's objective in managing risks is the creation and protection of Certificate holders' value. Risk is inherent in the Modaraba's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Modaraba's continuing profitability. The Modaraba is exposed to market risk (which includes profit rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

The Board of Modaraba management Company primarily invests in assets used for Ijarah business. Such investments are subject to varying degrees of risk, which emanate from various factors that include but are not limited to market risk, credit risk, liquidity risk and operational risk.

36.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

36.1.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The modaraba's exposure to foreign currency risk is as follows:

	2024	2023
	(EURO)	
Trade creditors	<u>32,490</u>	-

	Average rate for the year		Spot rate as of June 30	
	2024	2023	2024	2023
EURO to PKR	305.970	-	297.686	-

Sensitivity analysis

Every 10% increase in exchange rate, with all other variables held constant, would have the effect of decreasing or increasing profit before levies and taxation for the year by Rs. 0.967 million (2023: Rs. nil).

36.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market profit rates. The Modaraba has adopted appropriate policies to minimize its exposure to this risk. The profit rate profile of the Modaraba's significant profit bearing financial instruments and the periods in which these will mature are as follows:

Profit Rates	Carrying values	2024					Not exposed to yield / profit risk rate
		Exposed to yield / profit rate risk					
		Less than 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	More than 5 years	
(Rupees)							
Financial assets							
Cash and bank balances	7% - 10%	256,426,656	247,467,381	-	-	-	8,959,275
Long term deposits		5,028,000	-	-	-	-	5,028,000
Loans and other receivable		12,519,375	-	-	-	-	12,519,375
Trade debtors		282,355,128	-	-	-	-	282,355,128
Unbilled revenue - contract assets		50,014,359	-	-	-	-	50,014,359
Total financial assets		606,343,518	247,467,381	-	-	-	358,876,137
Financial liabilities							
Diminishing Musharaka financing	16% - 24.47%	338,428,901	10,535,848	30,113,318	88,871,139	208,908,596	-
Lease liabilities	19.18% - 23.71%	85,116,665	1,080,713	2,684,677	13,237,930	68,113,345	-
Creditors, accrued and other liabilities		319,181,536	-	-	-	-	319,181,536
Unclaimed dividend		332,570	-	-	-	-	332,570
Total financial liabilities		743,059,672	11,616,561	32,797,995	102,109,069	277,021,941	319,514,106
Profit Rates	Carrying values	2023					Not exposed to yield / profit risk rate
		Exposed to yield / profit rate risk					
		Less than 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	More than 5 years	
(Rupees)							
Financial assets							
Cash and bank balances	5% - 7%	246,423,197	240,395,699	-	-	-	6,027,498
Long term deposits		5,028,000	-	-	-	-	5,028,000
Loans and other receivable		17,474,429	-	-	-	-	17,474,429
Trade debtors		237,873,784	-	-	-	-	237,873,784
Unbilled revenue - contract assets		44,712,830	-	-	-	-	44,712,830
Total financial assets		551,512,240	240,395,699	-	-	-	311,116,541
Financial liabilities							
Diminishing Musharaka financing	10.26% - 24.47%	508,856,469	34,524,500	78,556,582	63,853,389	331,921,998	-
Lease liabilities	9.75% - 19.18%	87,453,570	1,669,333	1,704,103	7,155,830	76,924,304	-
Creditors, accrued and other liabilities		196,302,094	-	-	-	-	196,302,094
Unclaimed dividend		160,454	-	-	-	-	160,454
Total financial liabilities		792,772,587	36,193,833	80,260,685	71,009,219	408,846,302	196,462,548

Profit rate sensitivity analysis for variable rate

A change of 100 basis points in profit rates at the reporting date would have decreased / (increased) profit for the year by Rs. 509,412 (2023: Rs. 634,126). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Modaraba.

36.2 Credit risk

Credit risk is the risk of financial loss to the Modaraba if the counterparty to a financial instrument fails to meet its contractual obligations. The risk is generally limited to principal amounts and accrued profit thereon, if any. The Modaraba's policy is to enter into financial contracts in accordance with the profit risk management policies and the requirements of the Modaraba Rules and Regulations. The carrying amount of respective financial assets represents the maximum credit exposure at the reporting date.

	2024	2023
	———— (Rupees) ————	
Trade debtors	282,355,128	237,873,784
Unbilled revenue - contract assets	50,014,359	44,712,830
Loans and other receivables	12,519,375	17,474,429
Long term deposits	5,028,000	5,028,000
Bank balances	256,206,057	245,766,565
	<u>606,122,919</u>	<u>550,855,608</u>

The credit quality of receivable can be assessed with reference to their historical performance with negligible defaults in recent history.

The trade debtors are due from local customers. Management assesses the credit quality of local taking into account their financial position, past experience and other factors. The ageing of trade debtors at the year-end was as follows:

Not past due	214,012,523	148,588,660
Past due 0 days - 90 days	83,463,406	87,317,662
Past due 90 days - 180 days	5,721,957	19,996,418
Past due within 180 to 360 days	3,582,209	5,636,885
Past due by 360 days	5,583,663	6,342,789
	<u>312,363,758</u>	<u>267,882,414</u>
Allowance for impairment on financial assets	(30,008,630)	(30,008,630)
	<u>282,355,128</u>	<u>237,873,784</u>

Credit risk related to cash deposits

The credit risk on liquid funds (bank balances) is limited because the counter parties are banks with a reasonably

high credit rating. The names and credit rating of major banks where the Modaraba maintains its bank balances are as follows:

Name of Bank	Rating Agency	Credit rating	
		Long-term	Short-term
Bank Islami Limited	PACRA	AA-	A-1
Habib Bank Limited	VIS	AAA	A-1+
National Bank of Pakistan Limited	VIS	AAA	A-1+
MCB Islamic Bank Limited	PACRA	A+	A-1
Askari Bank Limited	PACRA	AA+	A-1+
Bank of Khyber Limited	VIS	A+	A-1
Meezan Bank Limited	VIS	AAA	A-1+
Faysal Bank Limited	VIS	AA	A-1+

36.3 Liquidity risk management

Liquidity risk is defined as the risk that the Modaraba will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Modaraba could be required to pay its liabilities earlier than expected.

The Modaraba's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressful conditions, without incurring unacceptable losses or risking damage to the Modaraba's reputation. The table below summarizes the maturity profile of the Modaraba's financial liabilities based on contractual undiscounted payments.

36.3.1 Liquidity and profit risk table

The following tables detail the Modaraba's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Modaraba can be required to pay.

	Profit rates	2024				
		Carrying Values	Contractual Cash Flows	Upto 1 years	2 to 5 years	More than 5 years
		(Rupees)				
Diminishing Musharaka financing	16% - 24.47%	338,428,901	458,800,052	190,535,767	268,264,285	-
Lease liabilities	19.18% - 23.71%	85,116,665	118,898,129	15,678,847	103,219,282	-
Creditors, accrued and other liabilities		319,181,536	319,181,536	319,181,536	-	-
Unclaimed dividend		332,570	332,570	332,570	-	-
		<u>743,059,672</u>	<u>897,212,287</u>	<u>525,728,720</u>	<u>371,483,567</u>	<u>-</u>

	Profit rates	2023				
		Carrying Values	Contractual Cash Flows	Upto 1 years	2 to 5 years	More than 5 years
		(Rupees)				
Diminishing Musharaka financing	10.26% - 24.47%	508,856,469	751,858,668	286,039,915	465,818,753	-
Lease liabilities	9.75% - 19.18%	87,453,570	133,516,569	26,296,740	107,219,829	-
Creditors, accrued and other liabilities		196,302,094	196,302,094	196,302,094	-	-
Unclaimed dividend		160,454	160,454	160,454	-	-
		<u>792,772,587</u>	<u>1,081,837,785</u>	<u>508,799,203</u>	<u>573,038,582</u>	<u>-</u>

The effective rate of profit on non-derivative financial liabilities are disclosed in respective notes.

36.3.2 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Modaraba, at present, is not exposed to price risk.

36.4 Operational risk

Operational risk is the potential for loss resulting from inadequate or failed internal processes and systems, human error, or from impact of external events (including legal risks). Operational risk is inherent in the Modaraba's activities and, as with the other risk types, is managed through an overall framework with checks and balances that includes recognized ownership of the risk by the businesses, independent risk management oversight and an independent review by the Internal Audit.

The Modaraba considers the overall operational risk by breaking it down into different sub-components / areas called as operational risk sub-types under which operational risks are identified. The overall operational risk management responsibilities lie with the Operational Risk department. For the identified operational risks, operational risk control owners are put in place and made responsible for performance of checks and testing of identified controls in their areas and reporting of the same to the operational risk department which reports any exception or deviation to the Operational Risk Committee where corrective and preventive actions are taken.

37 CAPITAL RISK MANAGEMENT

The Modaraba's prime objective when managing capital is to safeguard the Modaraba's ability to continue as a going concern so that it can continue to provide optimum returns to its certificate holders' and benefits of other stake holders and to maintain a strong capital base to support the sustained development of its businesses. The Modaraba manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Modaraba may

adjust the amount of profit paid to certificate holders or issue new certificates. The Modaraba is not subject to externally imposed capital requirements.

Consistent with others in the industry, the Modaraba monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at June 30, 2024 and 2023 were as follows:

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
Total borrowings	18	338,428,901	508,856,469
Less: cash and bank balances	15	(256,426,656)	(246,423,197)
Net debt		82,002,245	262,433,272
Total equity		1,396,624,535	1,253,253,658
Total capital		1,478,626,780	1,515,686,930
Gearing ratio		6%	17%

38 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.

Underlying the definition of fair value is the presumption that the Modaraba is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Modaraba to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.

- **Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs.

As at year ended June 30, 2024, the Modaraba does not hold any financial asset or liability measured at fair value. Further, carrying value of all financial assets and liabilities reflected in these financial statements approximate their fair value.

39 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASHFLOWS ARISING FROM FINANCING ACTIVITIES

The table below states changes in the Modaraba's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Modaraba's statement of cash flows as cash flows from financing activities.

	June 30, 2023	Financing cash inflows	Financing cash outflows	Non cash changes	June 30, 2024
	(Rupees)				
Diminishing musharaka financing	508,856,469	-	(170,427,568)	-	338,428,901
Unclaimed dividend	160,454	-	(74,827,884)	75,000,000	332,570
Lease liabilities	87,453,570	-	(29,346,740)	27,009,835	85,116,665
	<u>596,470,493</u>	<u>-</u>	<u>(274,602,192)</u>	<u>102,009,835</u>	<u>423,878,136</u>
	June 30, 2022	Financing cash inflows	Financing cash outflows	Non cash changes	June 30, 2023
	(Rupees)				
Diminishing musharaka financing	431,047,425	340,000,000	(262,190,956)	-	508,856,469
Unclaimed dividend	161,844	-	(1,390)	-	160,454
Lease liabilities	16,086,149	-	(19,531,644)	90,899,065	87,453,570
	<u>447,295,418</u>	<u>340,000,000</u>	<u>(281,723,990)</u>	<u>90,899,065</u>	<u>596,470,493</u>

40 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include a Subsidiary Company, Modaraba Management Company, Associated Companies with or without common directors, retirement benefit funds, directors, and key management personnel.

The Modaraba has related party relationship with its Modaraba Management Company, Associated Undertakings, Employee Benefit Plans, and its Key Management Personnel.

A number of transactions are entered into with related parties at agreed terms as approved by the Board of Directors of Modaraba Management Company in the normal course of business. These include purchase of assets and sharing of common expenses, if any.

The detail of transactions with related parties and balances with them is given below:

Company	Basis of Association	Aggregate Percentage of shareholding
ASJN Holdings (Private) Limited	Parent Company	6.67%
EMAN Management (Private) Limited	Associated Company	10%

Associate Company incorporate outside Pakistan

Company Name	Country of Incorporation	Registered address
Orient Energy Systems FZCO	United Arab Emirates	Free Zone, Dubai, United Arab Emirates

40.1 Transactions during the year

Name and Relationship with the Modaraba	Basis of Relation:	Nature of transactions	2024	2023
			(Rupees)	
Orient Energy Systems (Private) Limited - Associated companies	Common directorship - associated Company	Purchase / overhauling of:		
		- generators	10,000,000	20,000,000
		- stores, spares and loose tools	261,002,328	111,708,069
		Service and maintenance charges	17,723,126	8,591,407
		Rental for generators	2,051,224	1,051,960
		Operation and maintenance service	20,860,000	26,390,000
		Payment made	236,940,735	361,626,448
Payment received	20,128,786	49,824,172		
ASJN Holdings (Private) Limited	Common directorship - Ultimate Parent Company	Dividend paid	5,000,000	-
Employees' Provident Fund Trust	Associated Company	Contribution for the year	39,722,873	33,812,714
		Payment made	31,222,995	33,812,714
Orient Energy Systems FZCO	Common directorship - associated Company	Purchase of stores, spares and loose tools	61,028,554	-
		Payment made	51,356,737	-
Modaraba Management Company Eman Management (Private) Limited	Common directorship - associated Company	Management fees	45,948,266	33,162,827
		Payment made	33,162,827	32,322,033
		Dividend paid	7,500,000	-
Directors		Dividend paid	18,790,034	-

40.2 Year end balances

Relationship with the Modaraba	Nature of transactions	2024	2023
		(Rupees)	
Associated company Orient Energy Systems (Private) Limited	Payable against purchase of tangible assets, spares and loose tools and service maintenance charges	130,033,809	78,249,090
	Accrual	16,739,944	16,739,944
	Receivable against services rendered	9,204,438	6,422,000
ASJN Holdings (Private) Limited	Outstanding certificates 5,000,000 (June 30, 2023: 5,000,000)	50,000,000	50,000,000
Employees' Provident Fund Trust	Contribution Payable	8,499,878	-
Orient Energy Systems FZCO	Payable against purchase of stores, spares and loose tools	9,671,817	-
Modaraba Management Company Eman Management (Private) Limited	Management fee payable	45,948,266	33,162,827
	Outstanding certificates 7,500,000 (June 30, 2023: 7,500,000)	75,000,000	75,000,000
Directors	Outstanding certificates 18,790,034 (June 30, 2023: 12,540,034)	187,900,340	125,400,340

41 SEGMENT INFORMATION

As per IFRS 8, "Operating Segments", Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer of the Management Company has been identified as the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

The Modaraba has determined the operating segments based on the reports reviewed by the Chief Executive Officer, which are used to make strategic decisions.

The Chief Executive Officer is responsible for the Modaraba's entire product portfolio and considers the business to have two operating segments. The Modaraba's asset allocation decisions are based on an integrated investment strategy. The Modaraba's performance is evaluated on the basis of two operating segments.

The internal reporting provided to the Chief Executive Officer for the Modaraba's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.

The Modaraba's operating segments consists of rental business (operating lease) and maintenance business (operation and maintenance income). There were no changes in the reportable segments during the year. The Modaraba is domiciled in Pakistan. All of the Modaraba's income is from entities incorporated in Pakistan.

The Modaraba has a diversified product portfolio whereby resources have been allocated.

Details of segment revenues, costs, profit, assets and liabilities are as follows:

	Ijarah rentals	Operation and maintenance (Rupees)	Total
Segments revenues / profits			
For the year ended June 30, 2024			
Revenue	1,254,740,655	867,482,295	2,122,222,950
Costs	(973,987,080)	(689,822,735)	(1,663,809,815)
Reporting segment profit	<u>280,753,575</u>	<u>177,659,560</u>	<u>458,413,135</u>
Segments revenues / profits			
For the year ended June 30, 2023			
Revenue	1,079,276,419	682,525,821	1,761,802,240
Costs	(840,546,593)	(547,671,783)	(1,388,218,376)
Reportable segment profit	<u>238,729,826</u>	<u>134,854,038</u>	<u>373,583,864</u>

Reconciliation of segment wise results with profit before tax is as under:

	2024	2023
	(Rupees)	
Total results for reportable segments	458,413,135	373,583,864
Other non-operating income	56,658,691	24,934,297
Marketing and administrative expenses	(55,271,212)	(66,889,848)
Finance costs	(317,958)	(215,614)
Other non-operating expenses	(60,072,763)	(43,141,514)
	<u>399,409,893</u>	<u>288,271,185</u>

Segment assets / liabilities

	Ijarah rentals	Operation and maintenance (Rupees)	Total
As at June 30, 2024			
Segment assets	1,634,589,759	229,179,965	1,863,769,724
Segment liabilities	698,183,059	12,108,617	710,291,676
As at June 30, 2023			
Segment assets	1,537,185,434	127,211,509	1,664,396,943
Segment liabilities	716,693,829	12,555,819	729,249,648

Reconciliation of segment assets and liabilities with total assets and liabilities in the Statement of Financial Position is as under;

	2024 (Rupees)	2023
Total for reportable segment assets	1,863,769,724	1,664,396,943
Unallocated assets	467,754,598	520,017,637
Total assets as per statement of financial position	2,331,524,322	2,184,414,580
Total for reportable segment liabilities	710,291,676	729,249,648
Unallocated liabilities	224,608,111	201,911,274
Total liabilities as per financial position	934,899,787	931,160,922

42 DISCLOSURE OF COMPANIES LISTED IN ISLAMIC INDEX

Loans / advances obtained as per Islamic mode:

Loans	338,428,901	508,856,469
Advances	-	-
	338,428,901	508,856,469
Shariah compliant bank deposits / bank balances	256,206,057	245,766,565
Profit earned from shariah compliant bank deposits / bank balances	50,818,503	24,886,597
Revenue earned from a shariah compliant business	2,122,222,950	1,761,802,240
Gain / (loss) or dividend earned from shariah compliant investments	-	-
Dividend income	-	-
Gain on sale of investments	-	-
(Loss) / gain on remeasurement of investments at fair value through profit or loss	-	-
Exchange loss	363,694	(14,890,050)
Profit paid on Islamic mode of financing	101,897,802	75,205,502
Profits earned or profit paid on any conventional loan or advance	-	-
Profit paid on loans	-	-

43 EVENTS AFTER THE REPORTING DATE

The Board of Directors of the Modaraba Management Company in their meeting held on September 20, 2024 have approved profit distribution at the rate of 12% i.e Rs. 1.20 per certificate.

44 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 20, 2024 by the Board of Directors of the Eman Management (Private) Limited.

45 CORRESPONDING FIGURES

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

46 NUMBER OF EMPLOYEES

Number of employees

	2024	2023
- At June 30	1,400	1,296
- Average during the year	1,348	1,322

**For Eman Management (Private) Limited
(Modaraba Management Company)**



Chief Financial Officer



Chief Executive Officer



Director



Director

PATTERN OF CERTIFICATE HOLDING AS AT JUNE 30, 2024

Categories of certificate holders	Certificateholders	Certificate Held	Percentage
Directors and their spouse(s) and minor children			
NASIM AHMED	1	6,250,000	8.33%
CHAUDHRY JAWAID IQBAL	1	6,250,000	8.33%
AZHAR IQBAL	1	6,250,000	8.33%
TEIZOON KISAT	1	40,034	0.05%
Associated Companies, undertakings and related parties			
ASJN HOLDINGS (PVT.) LIMITED	1	5,000,000	6.67%
EMAN MANAGEMENT (PVT.) LIMITED	1	7,500,000	10.00%
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds			
	1	6,638,953	8.85%
General Public	630	35,382,435	47.18%
Others	2	1,688,578	2.25%
Totals	639	75,000,000	100.00%
Certificate holders holding 5% or more			
		Certificate Held	Percentage
EMAN MANAGEMENT (PVT.) LIMITED		7,500,000	10.00%
MEEZAN BANK LIMITED		6,638,953	8.85%
MOHAMMAD SAEED		6,250,000	8.33%
NASIM AHMED		6,250,000	8.33%
CHAUDHRY JAWAID IQBAL		6,250,000	8.33%
AZHAR IQBAL		6,250,000	8.33%
ASJN HOLDINGS (PVT.) LIMITED		5,000,000	6.67%

PATTERN OF CERTIFICATE HOLDING AS AT JUNE 30, 2024

Number of Certificate holders	Certificate Holdings			Total Certificate Held
58	1	to	100	573
123	101	to	500	55,578
63	501	to	1000	61,844
210	1001	to	5000	529,532
72	5001	to	10000	492,142
32	10001	to	15000	384,144
7	15001	to	20000	122,245
13	20001	to	25000	273,656
3	25001	to	30000	85,189
4	30001	to	35000	133,886
4	35001	to	40000	144,424
3	40001	to	45000	120,102
7	45001	to	50000	326,863
1	50001	to	55000	53,379
4	65001	to	70000	268,669
1	70001	to	75000	72,525
2	90001	to	100000	188,500
1	125001	to	130000	128,446
1	180001	to	190000	180,991
1	265001	to	270000	266,893
4	290001	to	300000	1,200,000
1	400001	to	405000	400,339
5	1000001	to	1005000	5,004,235
1	1090001	to	1095000	1,090,432
2	1200001	to	1205000	2,402,034
1	1230001	to	1235000	1,231,017
1	1330001	to	1335000	1,334,463
1	1400001	to	1405000	1,401,186
1	1430001	to	1435000	1,434,325
1	1495001	to	1500000	1,499,186
1	1630001	to	1635000	1,633,856
1	1665001	to	1670000	1,668,079
2	3335001	to	3340000	6,672,314
1	4995001	to	5000000	5,000,000
4	6245001	to	6250000	25,000,000
1	6635001	to	6640000	6,638,953
1	7495001	to	7500000	7,500,000
639				75,000,000



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

سالانہ شریعہ ایڈوائزری رپورٹ

برائے اختتام مالی سال 30 جون 2024

ہم نے شریعہ کھپلائس اور شریعہ آڈٹ میکنزم برائے مضاربہ کے تقاضوں کے مطابق 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے ایمان منجمنٹ (پرائیویٹ) لمیٹڈ کے زیر اہتمام ”اورینٹ رینٹل مضاربہ“ (ORM) کا شرعی جائزہ لیا ہے۔

ہماری رائے کے مطابق:

۱- ORM نے ایک ایسا طریقہ کار متعارف کرایا ہے جس نے شریعہ کھپلائس میکنزم کو مضبوط بنایا ہے اور ORM کے ذریعہ اختیار کردہ نظام، طریقہ کار اور پالیسیاں شرعی اصولوں کے مطابق ہیں۔
۲- دوران سال اہم سرگرمیاں اور پیشرفت:

الف: ORM کی بنیادی پراڈکٹ آپریٹنگ لیز اور ٹیکنیکل انجینئرنگ مینٹیننس سروسز ہیں، جو کہ شرعی اصولوں کے مطابق ہیں۔
ب: اسلاک فنانس خاص طور پر اجارہ سے متعلق، گزشتہ سال متعلقہ ORM کے عملے کے لیے ٹریڈنگ منعقد کی گئی تھی۔ ضرورت کے موقع پر اسے دہرایا جائے گا۔

۳- ORM نے مختلف کلائنٹس کے ساتھ متحد آپریٹنگ لیز اور ٹیکنیکل انجینئرنگ سروسز کے معاہدے کیے ہیں جو کہ شرعی قوانین کے مطابق ہیں اور لیزنگ کے معاہدوں کو ان فارمیٹس پر عمل میں لایا گیا ہے جس کی شرعی مشورے منظور دی ہے اور تمام متعلقہ شرائط کو پورا کیا گیا ہے۔
۴- ہماری معلومات اور جو تفصیلات ہمیں فراہم کی گئیں ان کے مطابق، ORM کی طرف سے انجام دیے گئے کاروباری لین دین اور اس سے متعلق دیگر تمام معاملات شرعی تقاضوں کے ساتھ ساتھ پراسیکشن، اسلامی مالیاتی اکاؤنٹنگ اور شریعہ کھپلائس، شریعہ آڈٹ ریگولیشن کے معیارات کے مطابق ہیں۔

۵- شرعی اعتبار سے ممنوع ذرائع سے پورے سال کے درمیان کوئی کمائی حاصل نہیں ہوئی ہے۔

اختتام:

تمام متعلقہ دستاویزات آپریٹنگ لیز اور مینٹیننس کے معاہدے کے نمونوں کا جائزہ لینے کے بعد، ہم اس کی توثیق کرتے ہیں کہ اس مالی سال کے دوران ORM کی طرف سے انجام دی گئی سرگرمیاں، لین دین اور معاملات شرعی اصولوں کے مطابق ہیں۔ اسی طرح یہ کھپلائس ”رجسٹرار مضاربہ، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان“ کی طرف سے جاری کردہ ہدایات کے مطابق ہے۔

محمد امجد

مفتی سعید الرحمن زبیری
ڈائریکٹر



محمد ابراہیم

مفتی محمد ابراہیم عینی
سی ای او، ڈائریکٹر
۳۰ اگست ۲۰۲۳

Address: Flat 503, 8th Floor Ibrahim Residency, C.P & Berar Society, Karachi.

+92 322 2671867 | www.alhamdshariahadvisory.com | info@alhamdshariahadvisory.com

شریعت آڈٹ رپورٹ

مضاربہ اپنے شریعت مشیر، الحمد للہ شریعت ایڈوائزر سردسز سے حسب ضرورت رہنمائی لیتا رہتا ہے۔ شریعت پالیسیوں اور اصولوں کی مکمل پیروی کو یقینی بنانے کیلئے اندرونی آڈٹ ڈپارٹمنٹ کو بھی روزمرہ معاملات کو سنبھالنے کی تربیت دی گئی ہے۔ مضاربہ کے معاملات کے لیے 30 جون 2024 کو ختم ہونے والی مدت کے لیے جاری کردہ شریعت آڈٹ رپورٹ سالانہ مالیاتی حسابات کے ساتھ منسلک ہے۔

آڈیٹرز

آڈٹ کمیٹی کی سفارش پر، بورڈ نے میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس کو 30 جون 2025 کو ختم ہونے والے سال کے لیے آڈیٹرز کے طور پر مقرر کرنے کی منظوری دی، جو مضاربہ کمپنیز اور مضاربہ باز کے رجسٹرار کی منظوری سے مشروط ہے۔

اعتراف

بورڈ رجسٹرار مضاربہ، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور پاکستان اسٹاک ایکسچینج کے تعاون، سپورٹ، اور وقتاً فوقتاً رہنمائی کے لیے پر خلوص شکریہ کا اظہار کرتا ہے۔

بورڈ سٹریٹجیٹک ہولڈرز کے اورینٹ گروپ کے ساتھ اپنے عہد کو برقرار رکھنے اور مضاربہ کے ملازمین کا بھی دل سے معترف ہے، جنہوں نے صارفین کی توقعات پر پورا اترنے اور مضاربہ کے کاروبار جاری رکھنے کو یقینی بنانے کیلئے سخت کاوشیں کیں۔

چیئرمین

چیف ایگزیکٹو آفیسر

20 ستمبر 2024

بورڈ میٹنگز کی جگہ

دوران مدت تمام بورڈ میٹنگز کراچی میں مینجمنٹ کمپنی کے دفتر میں منعقد کی گئیں اور پاکستان کے باہر کوئی میٹنگ منعقد نہیں کی گئی تاکہ بیرونی میٹنگز کے اضافی اخراجات سے بچا جاسکے۔

سرٹیفیکیٹ ہولڈرز کا طرز

مضاربہ کے سرٹیفیکیٹ ہولڈنگ کے طرز کا ایک اسٹیٹمنٹ اور 30 جون 2024 تک کی اضافی معلومات مع پراکسی فارم اس رپورٹ میں شامل ہے۔

ڈائریکٹرز ٹریننگ پروگرام

چھ ڈائریکٹرز میں سے چار کے پاس ڈائریکٹرز ٹریننگ پروگرام کے تحت سرٹیفیکیشن موجود ہے جو لیسٹ کمپنیز (کارپوریٹ گورننس کوڈ) ریگولیشنز 2019 کی شرائط کے مطابق ہے۔

متعلقہ پارٹیز کے ساتھ لین دین

ضوابط کی شرائط کے مطابق، کمپنی نے تمام متعلقہ پارٹیز کے لین دین کو آڈٹ کمیٹی اور بورڈ کے سامنے بالترتیب جائزہ اور منظوری کے لیے پیش کیا۔

اندرونی مالیاتی کنٹرولز

ڈائریکٹرز اندرونی مالیاتی کنٹرولز کے بارے میں اپنی ذمہ داری سے بخوبی آگاہ ہیں۔ انتظامیہ اور آڈیٹرز (اندرونی اور بیرونی دونوں) کے ساتھ بات گفت و شنید کے ذریعے، وہ اس بات کی تصدیق کرتے ہیں کہ کمپنی نے مناسب کنٹرولز نافذ کئے ہیں۔

بعد کے واقعات

مالی سال کے اختتام سے اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالیاتی حیثیت کو متاثر کرنے والے کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے۔

نان ایگزیکٹو ڈائریکٹرز کی مشاہرہ پالیسی

کمپنی کے بورڈ اور کمیٹی میٹنگز میں شرکت کے لیے ایگزیکٹو اور آزاد ڈائریکٹرز کی فیس و تقاضا بورڈ کی جانب سے مقرر کی جاتی ہے۔

بورڈ آف ڈائریکٹرز ریٹائر ہونے والے ڈائریکٹر جناب جوزیر جیوا خان کی خدمات کو سراہتا ہے اور ان کا شکر گزار ہے۔

کارپوریٹ گورننس کی تعمیل

بورڈ آف ڈائریکٹرز مضاربہ کے تمام اہم معاملات کا جائزہ لیتا ہے۔ ان میں مضاربہ کی حکمت عملی کا رخ، متعلقہ پارٹنرز کے ساتھ لین دین، اور طویل المدت سرمایہ کاری اور قرضے سے متعلق فیصلے شامل ہیں۔ بورڈ کارپوریٹ گورننس کے اعلیٰ معیارات کو برقرار رکھنے کے لیے پرعزم ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ کا فریم ورک

- مضاربہ کے مالیاتی حسابات اس کے معاملات اور آپریشنز کے نتائج، نقد بہاؤ، اور ایکویٹی میں تبدیلیوں کی مناسب طور پر نمائندگی کرتے ہیں۔
- مضاربہ کی اکاؤنٹس بکس درست طریقے پر رکھی گئی ہیں۔
- مالیاتی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیز کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔
- مالیاتی حسابات کی تیاری میں پاکستان میں مضاربوں پر لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات اپنائے گئے ہیں۔
- اندرونی آڈٹ موجود اندرونی کنٹرول کے نظام مسلسل جائزہ لیتا ہے۔ جائزے کا عمل جاری رہے گا اور کنٹرولز میں کسی بھی کمزوری کو دور کیا جائے گا۔
- مضاربہ کے موجودہ حیثیت میں کام کرنے کی صلاحیت کے بارے میں شبہ کی کوئی گنجائش نہیں ہے۔
- زیر جائزہ مدت کے دوران میں اہم آپریشننگ اور مالیاتی ڈیٹا کا خلاصہ اس سالانہ رپورٹ میں شامل ہے۔
- میکسز، ڈیویڈنڈ، محصولات اور چارجز کے سلسلے میں کوئی قانونی ادائیگیاں باقی نہیں ہیں، سوائے ان کے جو مالیاتی حسابات میں ظاہر کی گئی ہیں۔
- مضاربہ کا اپنے مستقل ملازمین کے لیے پروویڈنٹ فنڈ قائم ہے۔ 30 جون 2024 کو فنڈ کے غیر آڈٹ شدہ مالیاتی حسابات پر مبنی سرمایہ کاری کی ویلیو 226,113,760 روپے ہے (30 جون 2023: 150,764,967 روپے) ہے۔

کریڈٹ ریٹنگ

مضاربہ نے اپنی طویل المدت ریٹنگ A اور قلیل المدت ریٹنگ A2 کو برقرار رکھا ہے۔ یہ ریٹنگ پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ نے دی ہے۔

رسک مینجمنٹ کمیٹی

بورڈ آف ڈائریکٹرز نے ضوابط کی تعمیل میں رسک مینجمنٹ کمیٹی تشکیل کی۔ رسک کمیٹی بنیادی طور پر رسک برداشت کرنے کی حدود مقرر کرنے اور مناسب رسک مینجمنٹ اور اندرونی کنٹرول سسٹمز کو ڈیزائن اور نافذ کرنے کی ذمہ دار ہے، جو مضاربہ کو درپیش خدشات کی شناخت کرتے ہیں اور بورڈ کو اہم خدشات کا ٹھوس جائزہ لینے کے قابل بناتے ہیں۔

سال کے دوران دو اجلاس منعقد ہوئے۔ مختلف مدت کے دوران حاضری کی صورتحال حسب ذیل رہی:

نام	حاضری کی تعداد
جناب چودھری جاوید اقبال *	1
جناب نسیم احمد **	1
محترمہ صبا احمد آگرا والا	2
جناب وحید الرحمن **	1
جناب تیزون کیساٹ	2

* 1 جنوری 2024 کو بورڈ میں اپنی مدت مکمل ہونے پر ریٹائر ہوئے۔

** 1 جنوری 2024 کو رکن مقرر ہوئے۔

بورڈ میں تبدیلیاں

1 جنوری 2024 کو بورڈ کی مدت مکمل ہونے پر ڈائریکٹرز کا انتخاب ہوا۔ نو منتخب بورڈ درج ذیل ہے:

نام	عہدہ
جناب چودھری جاوید اقبال	چیئر مین
جناب نسیم احمد	نان ایگزیکٹو ڈائریکٹر
جناب اظہر اقبال	نان ایگزیکٹو ڈائریکٹر
جناب وحید الرحمن	نان ایگزیکٹو آزاد ڈائریکٹر
محترمہ صبا احمد آگرا والا	نان ایگزیکٹو آزاد ڈائریکٹر
جناب تیزون کیساٹ	ایگزیکٹو ڈائریکٹر

بورڈ آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ مذکورہ مدت کے دوران حاضری کی صورتحال حسب ذیل رہی۔

نام	حاضری کی تعداد
جناب جوزرجیواخان *	2
جناب وحید الرحمن **	2
جناب نسیم احمد	4
جناب چودھری جاوید اقبال	4
محترمہ صبا احمد آگرا والا	3

* 1 جنوری 2024 کو بورڈ میں اپنی مدت مکمل ہونے پر ریٹائر ہوئے۔

** 1 جنوری 2024 کو ممبر مقرر ہوئے۔

ہیومن ریسورس اینڈ ریمپوزیشن کمیٹی

بورڈ آف ڈائریکٹرز نے ضوابط کی تعمیل میں ہیومن ریسورس اینڈ ریمپوزیشن کمیٹی (HRRC) تشکیل دی۔ HRRC بنیادی طور پر کلیدی انتظامی عملے کی جانچ اور معاوضے کے پروسیس پر عمل درآمد کرنے کی ذمہ دار ہے۔

سال کے دوران ایک اجلاس منعقد ہوا۔ مذکورہ مدت کے دوران حاضری کی صورتحال حسب ذیل رہی:

نام	حاضری کی تعداد
جناب جوزرجیواخان *	1
جناب نسیم احمد *	1
محترمہ صبا احمد آگرا والا **	-
جناب اظہر اقبال **	-
جناب تیزون کیساٹ	1

* 1 جنوری 2024 کو بورڈ میں اپنی مدت مکمل ہونے پر ریٹائر ہوئے۔

** 1 جنوری 2024 کو ممبر مقرر ہوئے۔

بورڈ کے اراکین کی تشکیل حسب ذیل ہے:

- | | |
|---|------------------------|
| 2 | آزاد ڈائریکٹرز |
| 3 | نان ایگزیکٹو ڈائریکٹرز |
| 1 | ایگزیکٹو ڈائریکٹر |

سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے۔ مذکورہ مدت کے دوران حاضری کی صورت حال حسب ذیل رہی۔

تعداد حاضری	نام
5	جناب چودھری جاوید اقبال
5	جناب نسیم احمد
5	جناب اظہر اقبال
2	جناب جوزر جیوا خان *
4	محترمہ صبا احمد آگرا والا
3	جناب وحید الرحمن **
5	جناب تیزون کیساٹ

* 1 جنوری 2024 کو بورڈ میں اپنی مدت مکمل ہونے پر ریٹائر ہوئے۔

** 1 جنوری 2024 کو منتخب ہوئے۔

بورڈ آڈٹ کمیٹی

بورڈ آف ڈائریکٹرز نے لسٹڈ کمپنیز (کارپوریٹ گورننس کے کوڈ) ریگولیشنز 2019 کے مطابق ایک آڈٹ کمیٹی قائم کی ہے جو اندرونی کنٹرولز اور تعمیل کی نگرانی کرتی ہے اور اپنے قیام سے مؤثر طریقے سے کام کر رہی ہے۔ آڈٹ کمیٹی نے بورڈ کو پیش کرنے اور اشاعت سے قبل سہ ماہی، ششماہی اور سالانہ مالیاتی حسابات کا جائزہ لیا۔ آڈٹ کمیٹی نے بیرونی آڈیٹرز کے ساتھ مختلف معاملات پر تفصیلی گفتگو کی، نیز ان کا انتظامیہ کو خط بھی شامل ہے۔ آڈٹ کمیٹی نے اندرونی آڈیٹرز کی رپورٹس کا بھی جائزہ لیا اور کوڈ آف کارپوریٹ گورننس کے تحت درکار اندرونی اور بیرونی آڈیٹرز کے ساتھ الگ الگ اجلاس کئے۔

● معاشی خدشہ

پاکستان کو سیاسی اور میکرو اقتصادی استحکام کے لیے بڑے چیلنجز، خاص طور پر مالیاتی اور بیرونی اکاؤنٹ کے خسارے کا سامنا ہے۔ مضاربہ کی کارکردگی اقتصادی حالات میں تبدیلیوں سے متاثر ہو سکتی ہے۔ مارکیٹ کی ترقی، شرح سود، اور زر مبادلہ کی شرح جیسے عوامل مضاربہ کی آمدنی اور اخاتوں کو متاثر کر سکتے ہیں۔

● لیکویڈیٹی کا خدشہ

مضاربہ کے فنڈنگ کا بنیادی ذریعہ گھٹتی ہوئی مشارکہ ہے۔ اس کا شرح سود کے خدشے کا امکان محدود ہے، کیونکہ اس کی مشارکہ کی فنانسنگ 1 سال/3 ماہ KIBOR +1.5-2.15% فی سال پر ہے۔ مضاربہ کی مالی قوت تسلی بخش ہے، جس کو اپنی فنڈنگ کو منظم کرنے کیلئے ایسوسی ایٹڈ کمپنی کا تعاون حاصل ہے۔ مستقبل میں، مضاربہ کا ارادہ ہے کہ اپنی قرضے کی سطح کو ایک قابل انتظام سطح پر قائم رکھے۔

مضاربہ مذکورہ بالا خدشات کے ممکنہ اثرات کو قابل قبول سطح تک کم کرنے کیلئے اندرونی اور بیرونی اسٹریٹجی ہولڈرز کے ساتھ مل کر کام کرتا ہے

● مستقبل کا منظر نامہ

پاکستان کی معیشت کو آنے والے وقت کیلئے غیر یقینی حالات کا سامنا ہے۔ بلند افراط زر اور مالیاتی چیلنجز کا ترقی کی راہ پر دباؤ جاری رہے گا۔ جبکہ زراعت بحالی میں کچھ حد تک مدد کر سکتی ہے، تو انائی کی قلت اور عالمی سپلائی چین کے مسائل کی وجہ سے مینوفیکچرنگ کورکاونوں کا سامنا ہو سکتا ہے۔ بیرونی شعبہ عالمی قیمتوں کے اتار چڑھاؤ اور غیر ملکی ذخائر کی کمی سے متاثر رہتا ہے۔ استحکام کے لیے ٹیکس، گورننس، اور توانائی کے شعبے میں مستقل اصلاحات کا عمل اہم ہے۔

بورڈ آف ڈائریکٹرز

بورڈ چھ ڈائریکٹرز پر مشتمل ہے:

5 مرد ڈائریکٹرز

1 خواتین ڈائریکٹرز

استحکام کی حکمت عملی

پاکستان کا ماحولیاتی کمزوری کے انڈیکس پر 150 ویں نمبر پر ہے، جو موسمیاتی تبدیلی کے جلد ہونے کی عکاسی کرتا ہے۔ اکتوبر 2021 میں، پاکستان نے اقوام متحدہ کو اپنا نیشنل ڈیٹا سنٹر پیوشن (NDC) جمع کرایا تھا، جس میں واضح کیا گیا کہ ملک میں 2030 تک قابل تجدید توانائی کی منتقلی کیلئے 60% اور اخراج میں کمی لانے کیلئے 50% کا ہدف مقرر کیا گیا ہے۔

ہم پاکستان کے استحکام کے اہداف میں تعاون کرنے اور اپنی سماجی ذمہ داریوں کو پورا کرنے کے لیے پرعزم ہیں۔ ہماری اجتماعی مقاصد میں قابل تجدید توانائی کے منصوبوں میں سرمایہ کاری اور توانائی کی موثر حکمت عملی کو اپنانا شامل ہے۔ اپنے ملازمین میں اس مشترکہ ذمہ داری کا احساس پیدا کرنے کے لیے کمپنی نے پاکستان کے 78 ویں یوم آزادی کے موقع پر پودے تقسیم کیے۔ اس طرح اپنے ملک کے لیے ایک سرسبز تر اور پائیدار مستقبل کا عہد کیا گیا۔

اہم خدشات اور غیر یقینی صورتحال

مضاربہ کو بعض فطری خدشات اور غیر یقینی صورتحال کا سامنا ہے۔ تاہم، ہمارے نزدیک درج ذیل خدشات اہم ہیں:

● کاروباری خدشات

جزیئرینٹل کاروبار پر نمایاں انحصار کے سبب، مضاربہ کو صنعت کو گیس کی فراہمی میں رکاوٹ اور نئے جزیرتی قیمت میں اضافے کا خدشہ ہے، جس کی بنیادی وجہ آپکھنچ ریٹ میں نمایاں اضافہ ہے۔ کرنسی مارکیٹ میں انتہائی اتار چڑھاؤ پایا جاتا ہے جس کی وجہ سے کئی بڑی کرنسیوں کے مقابلے میں پاکستانی روپے کی قدر کم ہو رہی ہے۔ کرائے کے جزیرے کے موجودہ مارکیٹ ریش نئے جزیرے میں سرمایہ کاری پر مناسب منافع فراہم نہیں کرتے۔ لہذا، مضاربہ کی انتظامیہ اپنی سرمایہ کاری کی حکمت عملی میں محتاط اور ہوشیار رہے گی۔

● کریڈٹ کا خدشہ

مضاربہ کو اجارہ کے کاروبار میں فطری ڈیفالٹ کے خدشات کا سامنا ہے۔ مضاربہ کو صارف کی جانب سے کرایوں کی ادائیگی میں تاخیر ہونے کے خدشے اور دیگر خدشات، جیسے ملکیتی اثاثہ جات پر قبضہ ہونا، صارف کی جانب سے غلط اور ناجائز استعمال، حادثات، چوری، اور بریک ڈاؤن وغیرہ۔ اثاثہ جات ملک بھر میں مختلف صنعتی شعبہ جات میں تعین کئے گئے ہیں تاکہ توجہ مرکوز کرنے اور نادر ہونے کے خدشات کو کم سے کم کیا جاسکے۔

سالانہ تنخواہوں میں اضافہ، حکومت کے کم از کم اجرت کے ضوابط، اور مہنگائی کے اثرات کے باعث پچھلے سال کے مقابلے میں تنخواہوں میں 18% اضافہ کیا گیا۔

انتظامی اخراجات کو کنٹرول میں رکھا گیا اور مہنگائی کے باوجود 6.4% اضافہ ہوا۔ پچھلے سال دیگر اخراجات میں درآمدی ادائیگیوں پر پابندی کی وجہ سے ادائیگی میں تاخیر کی وجہ سے آپیکھج میں 14.9 ملین روپے کا خسارہ شامل تھا۔

دیگر آمدنی میں اضافہ بنیادی طور پر بینکوں کے ساتھ بڑی سرمایہ کاری اور اثاثوں کی فروخت پر منافع کی وجہ سے ہوا۔

مضاربہ نے مئی 2023 میں اپنے جزیئر یارڈ کو ایک نئی جگہ منتقل کیا۔ نتیجتاً، موجودہ سال میں لیز واجب الادا کے مالی اخراجات 17.4 ملین روپے تھے، جبکہ پچھلے سال کے چارجز 3.7 ملین روپے تھے۔ دوسری طرف، گھنٹی ہوئی مشارکہ کے مالی اخراجات جون 2023 کے 88.3 ملین روپے سے بڑھ کر موجودہ سال میں 101.8 ملین روپے ہو گئے۔ گزشتہ سال کی دوسری ششماہی میں حاصل شدہ سرمائے سے موجودہ پورے سال کے چارج میں، 170.4 ملین روپے کی کمی سے جزوی طوراً زالہ ہوا۔

مالی اثاثوں پر کوئی نقصان نہیں ہوا کیونکہ مشکوک قرضوں کے لیے اضافی پروویژن کی ضرورت نہیں تھی۔

سال کے لیے ٹیکس کی کل رقم 181.0 ملین روپے تھی (جون 2023: 100.8 ملین روپے)۔ سالانہ آمدنی میں نمایاں اضافے کے نتیجے میں سپرنٹیکس 6% کے حساب سے چارج ہوا، جبکہ پچھلے سال 3% تھا۔ مزید برآں، سیکشن 153 کے تحت خدمات کی فراہمی پر وہولڈنگ ٹیکس کم سے کم ٹیکس کے طور پر چارج کیا گیا تھا، جو عام کارپوریٹ ٹیکس سے 30% زیادہ تھا۔ نتیجتاً، سال کے لیے بعد از ٹیکس منافع 218.4 ملین روپے ہوا، جبکہ پچھلے سال 187.50 ملین روپے تھا۔

فی سٹیفیکٹ آمدنی گزشتہ سال کے 2.50 روپے سے بڑھ کر اس سال 2.91 روپے ہو گئی۔

منافع کی تقسیم

بورڈ کو یہ اعلان کرتے ہوئے خوشی محسوس ہو رہی ہے کہ 12% نقد منافع منقسمہ یعنی 1.2 روپے فی سٹیفیکٹ (ہر ایک 10 روپے) ہے جو سروس پر قابل اطلاق زکوٰۃ اور ٹیکس کی کٹوتی کے مشروط ہے۔

کی کٹوتی کرنے کی وجہ سے ٹیکس چوری کا کوئی امکان نہیں ہے۔ یہاں تک کہ کم آمدنی والے طبقے کو، جن کی ماہانہ تنخواہ 100,000 روپے تک ہے، ٹیکس کی سلیب میں تبدیلی کی وجہ سے زیادہ ٹیکس کا سامنا کرنا پڑ رہا ہے، جس میں تنخواہ دار افراد کیلئے معاشی حقائق کو مد نظر نہیں رکھا گیا۔ حکومت کو آمدنی بڑھانے کیلئے متبادل اقدامات پر غور کرنا چاہیے اور تنخواہ دار افراد کو ٹیکس میں ریلیف دے کر اضافی بوجھ سے نجات دلانی چاہئے۔

خارجہ طور پر کرنٹ اکاؤنٹ بیلنس میں معمولی بہتری نظر آئی ہے، جس کی وجہ تجارتی خسارے میں کمی اور معمولی غیر ملکی سرمایہ کاری ہے۔ لیکن بیرونی شعبہ عالمی اجناس کی قیمتوں میں اتار چڑھاؤ، روپے کی گراؤ، اور محدود ذخائر کے اثرات کا شکار ہے۔

اسٹیٹ بینک آف پاکستان کا حالیہ اقدام پالیسی ریٹ کو 200 bps پوائنٹس کم کر کے 17.5% کرنے کا، ایک تعمیری اقدام ہے جو 13 ستمبر 2024 سے مؤثر ہوگا۔ اس کا مقصد معیشت کو دوبارہ فعال کرنا ہے۔ پالیسی ریٹ میں کمی سے کاروبار کرنے کی مجموعی لاگت کم ہونے کی توقع ہے، جس سے کاروباروں کو اپنے آپریشنز کو وسعت دینے کی حوصلہ افزائی ہوگی۔

مجموعی طور پر اقتصادی منظر نامہ ملا جلا ہے۔ اگرچہ کچھ مثبت اشارے بھی ہیں، لیکن بڑے خدشات بھی موجود ہیں۔ مستقبل کا استحکام طویل المدتی ترقی کے لیے جامع اصلاحات پر منحصر ہوگا۔ تاہم، کاروباروں اور صارفین کو عالمی اقتصادی رکاوٹوں اور کرنسی کی قدر میں کمی سے مسلسل چیلنجز کا سامنا کرنا پڑ سکتا ہے، جس کی وجہ سے آپریٹنگ لاگت میں اضافہ اور قوت خرید میں کمی ہو سکتی ہے۔

آپریٹنگ کا جائزہ

مضاربہ کا قبل از ٹیکس منافع 399.41 ملین روپے تھا، جو جون 2023 کے منافع 288.27 ملین روپے کے مقابلے میں 38.5% زیادہ ہے۔

مجموعی آمدنی 2,122.22 ملین روپے تھی، جو کہ گزشتہ سال کے مقابلے میں 20.4% زیادہ تھی (جون 2023: 1,761.80 ملین روپے)۔ مضاربہ کے تمام کاروباری شعبے اس اضافے میں شامل ہیں۔ آپریٹنگ اور مینٹنس کیلگری، جس کا حصہ گزشتہ سال کے مقابلے میں 27.1% زیادہ تھا، اس ترقی کا بنیادی ذریعہ تھی۔

آپریٹنگ اخراجات 1,544.45 ملین روپے تھے، جو پچھلے سال کے 1,273.17 ملین روپے کے مقابلے میں 21.3% زیادہ تھے۔ زیادہ مینٹنس اخراجات بہتر جزیئر کی تعیناتی کا نتیجہ تھے۔ مزید برآں، مینٹنس کے لیے استعمال ہونے والے پرزوں کی قیمت میں اضافے کی وجہ سے بھی یہ اضافہ ہوا۔

153,493,340	303,494,578	غیر مختص شدہ منافع گزشتہ سے پیوستہ
(37,500,310)	(43,674,175)	سال کیلئے 20% منافع کی قانونی ذخیرے میں منتقلی
-	(75,000,000)	منافع برائے سال تختہ 30 جون 2023 کی تقسیم،
		1.0 روپیہ (سال تختہ 30 جون 2022: Nil) فی سرٹیکلیٹ
303,494,578	403,191,280	غیر مختص منافع، آگے بھیجا گیا
2.50	2.91	فی شیئر آمدنی - بنیادی اور تھمیل شدہ
16.71	18.62	فی سرٹیکلیٹ بریک اپ ویلیو

معاشی جائزہ

پاکستان کے معاشی سروے کے مطابق، مالی سال 2023-24 میں ملک کی GDP کی شرح نمو میں صرف 2.4% کا اضافہ ہوا، جو حکومت کے مقرر کردہ 3.5% کے ہدف کو پورا نہیں کر سکی۔ بین الاقوامی مالیاتی فنڈ (IMF) نے پیش گوئی کی ہے کہ مالی سال 2024-25 میں پاکستان کی معیشت 3.5% تک بڑھے گی۔ یہ پیش گوئی حکومت پاکستان کے 3.6% کے ہدف سے تھوڑی کم ہے جس کا حالیہ بجٹ میں اعلان کیا گیا تھا اور یہ عالمی سرگرمی کی ست روی کے پس منظر میں کی گئی ہے۔

پاکستان کے حقیقی مالی اور خارجی شعبے کی علامات تازک صورتحال کی عکاس ہیں۔ مالی استحکام کی کوششوں کا مقصد معیشت کو مستحکم کرنا ہے لیکن GDP کی نمو محدود ہے اور مہنگائی کے دباؤ کاروباروں اور گھریلو صارفین کو متاثر کر رہے ہیں۔ اگرچہ ایک مثبت بنیادی توازن حوصلہ افزا ہے لیکن ابھی اس کو مکمل اقتصادی بحالی کی طرف بڑھنا ہے۔

زراعت سے کچھ ریلیف حاصل ہوا ہے، جس کو حکومتی اقدامات کا تعاون حاصل ہے جن میں کریڈٹ تک رسائی اور ان پٹس کی بہتری لانا ہے۔ تاہم، سپلائی چین میں رکاوٹوں اور ماحولیاتی چیلنجز کے باعث اس شعبے کی ترقی محدود ہے۔ بڑی پیمانے کی مینوفیکچرنگ کے شعبہ میں معمولی سکڑاؤ نظر آیا ہے لیکن یہ پچھلے سال کی کمی کے مقابلے میں بہتری کی نشاندہی کرتا ہے۔ ٹیکس اور غیر ٹیکس آمدنی میں اضافے کے ذریعے بجٹ کو متوازن کرنے کی کوششیں کی گئی ہیں لیکن بڑھتا ہوا مالیاتی خسارہ ابھی بھی ایک بڑا مسئلہ ہے۔

فنانس بل 2024 میں ٹیکس دہندگان سے مزید ٹیکس جمع کرنے کے پرانے اور آزمودہ طریقے اپنانے پر توجہ دی ہے، جو پہلے سے ٹیکس نیٹ میں موجود ہیں۔ حکومت نے تنخواہ دار طبقے پر آگم ٹیکس کی زیادہ سے زیادہ 35% شرح عائد کی ہے، جو معیشت کا سب سے زیادہ دستاویزی شعبہ ہے اور جہاں ذرائع پر ٹیکس

ڈائریکٹرز کی رپورٹ

اورینٹ رینٹل مضاربہ ("مضاربہ") کی منجمنٹ کمپنی ایمان منجمنٹ (پرائیویٹ) لمیٹڈ ("ایمان") کے بورڈ آف ڈائریکٹرز مضاربہ کے مالیاتی حسابات برائے مالی سال ختمہ 30 جون 2024 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی جھلکیاں	جون 2024 روپے	جون 2023 روپے
آمدنی	2,122,222,950	1,761,802,240
آپریٹنگ کے اخراجات	(1,544,446,464)	(1,273,175,946)
مجموعی منافع	577,776,486	488,626,294
انتظامی اور مارکنگ کے اخراجات	(55,271,212)	(51,944,798)
دیگر اخراجات	(233,000)	(14,945,050)
دیگر آمدنی	56,658,691	25,034,297
مالیاتی لاگت	(119,448,309)	(92,216,076)
مالیاتی اثاثہ جات پر نقصان	-	(22,926,402)
منافع قبل از منجمنٹ فیس	459,482,656	331,628,265
مضاربہ منجمنٹ کمپنی کی فیس	(45,948,266)	(33,162,827)
منجمنٹ فیس پریسلز ٹیکس کا پروویژن	(5,973,275)	(4,311,168)
سندھ ورکرز ویلفیئر فنڈ کیلئے پروویژن	(8,151,222)	(5,883,085)
منافع قبل از محصولات اور ٹیکس	399,409,893	288,271,185
آمدنی پر ٹیکسز	(34,527,755)	(1,909,499)
منافع قبل از ٹیکس	364,882,138	286,361,686
ٹیکس	(146,511,261)	(98,860,138)
منافع بعد از ٹیکس	218,370,877	187,501,548

ترمیمات منظور کر لی ہیں۔ اپنے کاروبار کے بنیادی شعبہ میں اپنی پوزیشن مضبوط

ہونے سے، ہم کاروبار میں مزید توسیع کیلئے مستقبل میں نئے کاروباری مواقع دریافت کریں گے۔ بورڈ مضاربہ کے اسٹیک ہولڈرز کی آمدنی کو مضبوط تر کرنے کے اپنے عزم کا اعادہ کرتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے میں چیف ایگزیکٹو آفیسر اور مضاربہ کے تمام ایمپلائرز کی گزشتہ سال کی خدمات پر دلی شکر یہ ادا کرتا ہوں۔

انہوں نے ایک مرتبہ پھر اپنے عزم اور پر خلوص خدمات سے کئی چیلنجز کے باوجود مضاربہ کو ایک اور کامیاب سال سے ہمکنار کیا ہے۔

میں رجسٹرڈ مضاربہ، سیکورٹی اینڈ ایڈجسٹمنٹ کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کے تعاون، مدد اور وقتاً فوقتاً رہنمائی کیلئے دل کی گہرائیوں سے ممنون ہوں۔

میں اس موقع پر اپنے تمام اسٹیک ہولڈرز بشمول کسٹمرز، سپلائرز، سٹوکیٹ ہولڈرز، بینکرز اور دیگر پارٹنرز کا بھی شکر یہ ادا کرتا ہوں۔ آپ کا بھرپور تعاون اور خلوص ہی ہماری کامیابی کی بنیاد ہے اور ہم آپ کے پختہ عزم کی دلی قدر کرتے ہیں۔ ہمارے سفر کے اہم پارٹنر ہونے کا شکر یہ۔

چودھری جاوید اقبال

چیئرمین

20 ستمبر 2024

چیرمین کا جائزہ

عزیز مزار بہ سرٹیفکیٹ ہولڈرز

مجھے اور اینٹ رینٹل مزار بہ کی کارکردگی برائے سال ختمہ 30 جون 2024 کا جائزہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔ پاکستان کی GDP نے 2.4% نمو ریکارڈ کی جو گزشتہ سال کی 0.21% کی کم تر سطح کے مقابلے میں نمایاں بہتری کا اظہار ہے۔ اس نمو میں بڑا حصہ زراعت کا ہے، جس میں 6.25% کا اضافہ ہوا جبکہ صنعت اور خدمات کے شعبہ جات میں نمو کی شرح 1.21% رہی۔ موجودہ مالی سال 2024-25 میں معاشی اصلاحات کے نفاذ اور زرعی پیداوار میں اضافہ کی بناء پر نمو کے لئے 3.6% کی شرح کی پیش گوئی کی گئی ہے۔ IMF کے ایگزیکٹو بورڈ کی جانب سے 7 بلین یو ایس ڈالر کے مساوی توسیعی فنڈ کی سہولت کی منظوری میکر و اکنامک کے استحکام کو تقویت اور بھرپور نمو کیلئے حالات کو سازگار بنائے گی۔

مذکورہ سال کے دوران میں معاشی سرگرمیوں کی معمولی بحالی کے پس منظر میں مزار بہ نے آمدنی میں 20% کا شاندار اضافہ حاصل کیا۔ قبل از محصولات اور ٹیکویشن منافع 399 ملین روپے رہا جو گزشتہ سال کے مقابلے میں 38% زیادہ ہے۔ بعد از ٹیکس منافع 218 ملین روپے ریکارڈ ہوا جو گزشتہ سال کے مقابلے میں 16% زیادہ ہے۔ صارفین کی جانب سے خدمات کی فراہمی کے سلسلے میں مزار بہ کو کی گئی ادائیگیوں پر 9% کی شرح سے ود ہولڈنگ ٹیکس کی کٹوتی ہوئی۔ ود ہولڈنگ عام ٹیکس کے علاوہ ہے جو ٹیکس نفع و نقصان اکاؤنٹ پر بطور

"محصولات" چارج کیا جاتا ہے کیونکہ یہ کم سے کم ٹیکس ہے۔ محصولات کی مد میں 34.5 ملین روپے چارج ہونے اور حالیہ نافذ کئے گئے سپر ٹیکس کی وجہ سے مزار بہ نے کل 45% ادائیگی کی جو بہت زیادہ بلندی کے رخ پر ہے۔ مزار بہ کی جانب سے فراہم کی گئی خدمات پر ٹیکس کی 4% کی کم شرح اس شعبہ کی ترقی، مالیاتی طور پر پینے اور شیئر ہولڈرز کی آمدنی میں اضافے کا سبب ہوگی۔

2024 کے نتائج اور کمپنی کی مالیاتی پوزیشن کی بنیاد پر، بورڈ آف ڈائریکٹرز نے 1.2 روپے فی سرٹیفکیٹ کے منافع منقسمہ کی تجویز دی ہے جو 2023 کے منافع منقسمہ کے مقابلے میں 2% زیادہ ہے۔

مثبت رخ پرائیٹ پبلک آف پاکستان کی جانب سے پالیسی ریٹ میں 200 پیمس پوائنٹس سے 17.5% تک حالیہ کمی نہ صرف مالیاتی لاگت میں کمی لانے میں معاون ہوگی بلکہ موجودہ اثاثہ جات کے پورٹ فولیو میں توسیع میں بھی مددگار ہوگی جو موجودہ کاروباری شعبہ جات میں ہماری پوزیشن کو مضبوط کرنے کا سبب ہوگی۔ سال کے دوران میں بورڈ آف ڈائریکٹرز نے مزار بہ کے پراسپیکٹس میں ترمیمات کی منظوری دی ہے۔ رجسٹرڈ مزار بہ نے بھی

بینک اکاؤنٹ کی تفصیلات نہ ہونے یا نامکمل ہونے کی صورت میں مضاربہ ان شیئرز ہولڈرز کے نقد ڈیویڈنڈ کی ادائیگی روک لے گا جنہوں نے یہ معلومات فراہم نہیں کی ہوں گی۔ مزید معلومات کیلئے آپ ہمارے شیئرز رجسٹرار سے رابطہ کریں۔

۷. سالانہ مالیاتی گوشواروں کی بذریعہ ای میل ترسیل

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") نے ایس آر او 787(1)/2014 بحریہ 08 ستمبر 2014 کمپنیز کو آڈٹ شدہ مالیاتی گوشوارے مع سالانہ جائزہ میٹنگ کی اطلاع اپنے سرٹیفکیٹ ہولڈرز کو بذریعہ ای میل ارسال کرنے کی اجازت دی ہے۔ لہذا جو سرٹیفکیٹ ہولڈرز آئندہ مضاربہ کی سالانہ رپورٹ بذریعہ ای میل وصول کرنا چاہتے ہوں، ان سے درخواست ہے کہ رضامندی کا فارم (مضاربہ کی ویب سائٹ پر دستیاب ہے) پُر کریں اور ہمارے شیئرز رجسٹرار کو بھجوادیں۔

۸. غیر کلیم شدہ ڈیویڈنڈ

مضاربہ کے غیر کلیم شدہ ڈیویڈنڈز کی فہرست مضاربہ کی ویب سائٹ <https://www.orientmodarabad.com/investors> پر دستیاب ہے۔ جو سرٹیفکیٹ ہولڈرز کسی بھی وجہ سے اپنا ڈیویڈنڈ کلیم نہ کر سکے ہوں، ان کو ہدایت کی جاتی ہے کہ اپنے غیر کلیم شدہ ڈیویڈنڈ حاصل کرنے کی معلومات کیلئے ہمارے شیئرز رجسٹرار سے رابطہ کریں۔ جو ڈیویڈنڈ تین سال سے زیادہ عرصے تک غیر کلیم شدہ رہیں گے وہ کمپنیز ایکٹ 2017 کے سیکشن 244(2) کے تحت وفاقی حکومت کے پاس جمع کرادیئے جائیں گے۔

۹. پتے میں تبدیلی

سرٹیفکیٹ ہولڈرز کو ہدایت کی جاتی ہے کہ وہ اپنے پتے میں تبدیلی (اگر ہوتو) کے بارے میں شیئرز رجسٹرار کو مطلع کریں۔

کمپنیز ایکٹ 2017 کے سیکشن (7) 223 کی رو سے سالانہ رپورٹ برائے سال مختصہ 30 جون 2024 سرٹیفکیٹ ہولڈرز کو ارسال کرنے کے ساتھ ساتھ مضاربہ کی ویب سائٹ پر بھی جاری کر دی جائے گی۔

۵. ڈیویڈنڈ کی رقم پر ودھولڈنگ ٹیکس کی کٹوتی

انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت ڈیویڈنڈ کی ادائیگی پر انکم ٹیکس کی کٹوتی درج ذیل شرح سے کی جائے گی۔

(a) فعال ٹیکس گزاروں کی فہرست میں شامل افراد کیلئے ٹیکس کی شرح 15%

(b) فعال ٹیکس گزاروں کی فہرست میں نہ شامل افراد کیلئے ٹیکس کی شرح 30%

مشترکہ فوئیو/سی ڈی ایس اکاؤنٹ ہونے کی صورت میں، ہر شریک ہولڈر کو علیحدہ علیحدہ فعال یا غیر فعال سمجھا جائے گا اور ڈیویڈنڈ کی مشترکہ رقم سے کٹوتی کی جائے گی جس کا تعین ہر شریک ہولڈر کے پاس موجود سرٹیفکیٹ کے یکساں تناسب سے الگ الگ کیا جائے گا، سوائے اس صورت کے، جب شریک ہولڈر (ز) کے پاس موجود سرٹیفکیٹ کا تناسب ہمارے شیئر رجسٹرار کے ریکارڈز کے مطابق پہلے سے فراہم کر دیا گیا ہو تو ٹیکس کی شرح متعلقہ تناسب سے لاگو کی جائے گی۔ وہ سرٹیفکیٹ ہولڈرز جن کے سرٹیفکیٹ فوئیو/سی ڈی ایس میں مشترکہ ہیں، ان سے درخواست ہے کہ وہ اپنے سرٹیفکیٹ کے تناسب میں کسی تبدیلی کی صورت میں اس کی اطلاع (تحریری) ہمارے شیئر رجسٹرار کو یا اپنے شریک / سی ڈی سی انویسٹر اکاؤنٹ سروسز کو دیں تاکہ ڈیویڈنڈ کی ادائیگی کیلئے (اگر کوئی ہے) ان کے سرٹیفکیٹ کی تبدیل شدہ شرح اپنے ریکارڈ میں اپ ڈیٹ کی جاسکے۔

انکم ٹیکس میں کمی یا کم شرح پر کٹوتی کی اہلیت رکھنے والے سرٹیفکیٹ ہولڈرز سے درخواست ہے کہ وہ کارآمد ٹیکس سرٹیفکیٹ یا ضروری دستاویزی ثبوت شیئر رجسٹرار کے پاس جمع کرائیں جو بھی صورت ہو۔

زکوٰۃ کی کٹوتی نہ کروانے کے خواہشمند سرٹیفکیٹ ہولڈرز سے بھی گزارش ہے کہ زکوٰۃ کی کٹوتی نہ کرنے کا کارآمد ڈکلیئریشن جمع کرائیں۔

۶. ڈیویڈنڈ مینڈیٹ

کمپنیز ایکٹ 2017 ("ایکٹ") کے سیکشن 242 کے مطابق، لمیٹڈ کمپنی/ادارے کی جانب سے نقد ڈیویڈنڈ کی ادائیگی الیکٹرونک کے ذریعے سے کرنا اب لازمی قرار دیا گیا ہے۔ لہذا، اورینٹ رینٹل مضاربہ کے تمام سرٹیفکیٹ ہولڈرز سے گزارش ہے کہ کمپنی کی ویب سائٹ پر دستیاب "ڈیویڈنڈ مینڈیٹ فارم" میں اپنے متعلقہ بینک کیلئے ڈیویڈنڈ مینڈیٹ فراہم کریں۔ سینٹرل ڈپازٹری سسٹم (CDS) کے تحت شیئر ہولڈنگ رکھنے والے سرٹیفکیٹ ہولڈرز کے درخواست ہے کہ وہ بینک مینڈیٹ کی معلومات براہ راست متعلقہ شریک/سی ڈی سی انویسٹر اکاؤنٹ سروس کے پاس جمع کرائیں۔

اس کے مطابق اجلاس میں شرکت کے خواہشمند سرٹیفکیٹ ہولڈرز سے درخواست ہے کہ خود کو رجسٹر کرانے کیلئے درج ذیل معلومات company.secretary@orientmodaraba.com پر اجلاس کے انعقاد سے کم از کم 48 گھنٹے پہلے فراہم کر دیں۔

ای میل پتہ	ملکیتی شیئرز کی تعداد	سیل نمبر	فولیو / CDC اکاؤنٹ نمبر	CNIC	سرٹیفکیٹ ہولڈر کا نام

ویڈیو کانفرنس لنک کی تفصیلات اور لاگ ان کی معلومات ان شیئر ہولڈرز کے ساتھ شیئر کی جائیں گی جن کے تمام کوائف کی رجسٹرڈ ای میل پر مقررہ وقت تک موصول ہو جائیں گی۔

۲. ڈیویڈنڈ کا اعلان

مضاربہ مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے 12 فیصد (1.20 روپے فی مضاربہ سرٹیفکیٹ) کے نقد منافع کی منظوری دے دی ہے۔ سرٹیفکیٹ ہولڈرز جنہوں نے ابھی تک اپنے درست CNIC یا NTN کی کاپی جمع نہیں کرائی ہے ان سے درخواست کی جاتی ہے کہ وہ اسے فوری طور پر مضاربہ کے شیئر رجسٹرار میسرز CDC شیئر رجسٹرار لمیٹڈ کو جمع کرائیں۔ درست CNIC یا NTN کی کاپی نہ ملنے کی صورت میں، مضاربہ کو کمپنیز ایکٹ 2017 کے سیکشن (3) 243 کے تحت ایسے سرٹیفکیٹ ہولڈرز کا ڈیویڈنڈ روکنے کے لیے پابند کیا جائے گا۔

۳. سرٹیفکیٹ ٹرانسفر بکس کی بندش

مضاربہ کی سرٹیفکیٹ ٹرانسفر بکس 18 اکتوبر 2024 تا 25 اکتوبر 2024 (بشمول دونوں ایام) بند رہیں گی۔ درست ٹرانسفرز، جو اورینٹ رینٹل مضاربہ کے رجسٹرار میسرز سی سی شیئر رجسٹرار لمیٹڈ کے صدر دفتر سی ڈی سی ہاؤس 99-B، بلاک "B"، SMCHS، مین شارع فیصل کراچی 74400 ٹیلیفون نمبر 021-111-111-500، فیکس نمبر 021-34326053 کو مورخہ 17 اکتوبر 2024ء کو کاروباری اوقات کے اختتام تک موصول ہوں گے، ڈیویڈنڈ کی اہلیت اور سالانہ جائزہ اجلاس میں شرکت کیلئے بروقت تصور ہوں گے۔

۴. آڈٹ شدہ مالیاتی گوشواروں کی مضاربہ کی ویب سائٹ پر دستیابی

اطلاع برائے سالانہ جائزہ اجلاس

بذریعہ ہذا مطلع کیا جاتا ہے کہ اورینٹ رینٹل مضاربہ کے سرٹیفکیٹ ہولڈرز کا ساتواں (7واں) سالانہ جائزہ اجلاس مورخہ 25 اکتوبر 2024 کو صبح 10:00 بجے مضاربہ کے رجسٹرڈ دفتر واقع چوتھی منزل، پلاٹ نمبر 9، بیکٹر 24، کورنگی انڈسٹریل ایریا، کراچی میں منعقد ہوگا اور مضاربہ کی کارکردگی برائے سال مختتمہ 30 جون 2024 جائزہ کیلئے پیش کی جائے گی۔

منجانب بورڈ
محمد جمال احمدانی
کمپنی سیکرٹری
اورینٹ رینٹل مضاربہ
04 اکتوبر 2024، کراچی۔

1. اجلاس میں شرکت

(a) ذاتی حیثیت میں شرکت

- مضاربہ کے جن سرٹیفکیٹ ہولڈرز کے نام 17 اکتوبر 2024ء کو رجسٹر میں موجود ہوں گے، وہ سالانہ اجلاس میں شرکت کے اہل ہوں گے۔
- فرد واحد کی صورت میں، اجلاس میں شرکت کے وقت اپنی شناخت کی تصدیق کیلئے اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ ("CNIC") یا اصل پاسپورٹ دکھانا ہوگا۔
 - نمائندہ پر کسی ہونے کی صورت میں، اپنی شناخت کی تصدیق کیلئے پر کسی کو اپنا اصل CNIC دکھانا ہوگا۔ تمام پر کسی فارم اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے مضاربہ کے رجسٹرڈ دفتر میں لازمی طور پر جمع کرانے ہوں گے۔
 - کارپوریٹ ادارہ ہونے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی مع نمونے کے دستخط اور پر کسی فارم اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے مضاربہ کے رجسٹرڈ دفتر میں لازمی طور پر جمع کرانے ہوں گے۔

(b) شرکت بذریعہ ویڈیو کانفرنسنگ کی سہولت

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") نے اپنے مراسلہ نمبر 4 مورخہ 15 فروری 2021 کے ذریعے لسٹڈ کمپنیز کو ہدایت دی ہے کہ اپنے سرٹیفکیٹ ہولڈرز کی اجلاس عام میں ذاتی حیثیت میں شرکت کو یقینی بنانے کے علاوہ الیکٹرونک ذریعے سے فراہم کرنے کا اپنا معمول بنائیں۔

Proxy Form

Orient Rental Modaraba
Managed by: EMAN Management (Private) Limited

I / We _____
of _____
being a member of Orient Rental Modaraba and holder of _____ Certificates as per Certificate Register Folio No. _____ and / or CDC Participant ID No. _____ and Sub Account No. _____ hereby appoint _____ of _____ or failing him / her of _____

As my proxy to represent me and on my behalf at the 7th Annual Review Meeting of the Modaraba to be held on 25th day of October 2024 and at any adjournment there of.

Signed this _____ day of _____ 2024

WITNESSES:

1 Signature: _____

Name: _____
Address: _____

CNIC / or: _____

Passport No.: _____

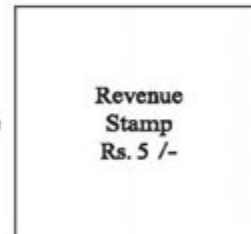
2 Signature: _____

Name: _____
Address: _____

CNIC / or: _____

Passport No.: _____

Signature



(Signature should agree with specimen signature registered with the Modaraba)

Note: Proxies in order to be effective must be received by the Modaraba not less than 48 hours before the meeting. A proxy must be a certificate holder of the Modaraba. CDC Certificate holders and their proxies are each requested to submit attested photocopy of their Computerized National Identity Card or Passport with this proxy form.

تشکیل نیابت داری

میں اہم _____
 ساکن _____ بحیثیت اورینٹ رینٹل مضاربہ _____ کے
 رکن و حامل _____ سرٹیفکیٹ برطانیہ سرٹیفکیٹ رجسٹرڈ فولیو نمبر _____
 اور ایسی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ذیلی کھاتہ نمبر _____
 محترم / محترمہ _____ ساکن _____
 یا بصورت دیگر محترم / محترمہ _____ ساکن _____

کو اپنی جگہ مورخہ 25 اکتوبر، 2024 کو منعقد یا ملتوی ہونے والی ساتویں سالانہ نظر ثانی اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا کرتی ہوں۔

تاریخ _____

گواہ:

1 دستخط _____

نام _____

پتہ _____

ریونیٹنگ ٹکٹ چسپاں کریں

دستخط _____

سی این آئی سی یا پاسپورٹ نمبر _____

2 دستخط _____

نام _____

پتہ _____

(دستخط کھنی میں پہلے سے موجود نمونہ کے مطابق ہونے چاہئے)

نوٹ: پراکسیز کے موثر ہونے کے لئے ضروری ہے کہ ان کی تفصیل اجلاس شروع ہونے سے 48 گھنٹے قبل مضاربہ کو موصول ہو جائے۔
 سی ڈی سی شیئر سرٹیفکیٹ ہولڈرز اور ان کے پراکسیز سے گزارش ہے کہ وہ اپنے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی مضاربہ کو پیش کرنے سے قبل اس پراکسی کے ساتھ منسلک کریں۔

www.jamapunji.pk










سرمایہ کاری سمجھداری کے ساتھ










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

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device
-  Online Quizzes



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

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

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

