

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Certificate Capital	Statutory Reserve	Accumulated profit	Total
	(Rupees)			
Balance as at June 30, 2016	100,000,000	16,345,045	(42,331,838)	74,013,207
Profit for the Year	78	9 5 6	4,580,864	4,580,864
Transferred to statutory reserve	63	916,173	(916,173)	8
Balance as at June 30, 2017	100,000,000	17,261,218	(38,667,147)	78,594,071
Profit for the Year	-	(14)	630,975	630,975
Transferred to statutory reserve		-	-	~
Balance as at September 30, 2017	100,000,000	17,261,218	(38,036,173)	79,225,045

For Popular Islamic Modaraba Management Company (Private) Limited (Management Company)

CHIEF EXECUTIVE

DIRECTOR

NECTOR

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

1 | EGAL STATUS AND NATURE OF BUSINESS

Popular Islamic Modaraba (Formerly First Islamic Modaraba) is a multipurpose, perpetual Modaraba formed under the Modaraba and Modaraba (ficatation and control) Ordinance, 1980 and the rules framed there under and is managed by the Popular Islamic Modaraba Management Company (Private) Limited (formerly by Islamic Investment Bank Limited - under liquidation), a company incorporated in Pakistan under the Companies Ordinance, 1984 and registered with Registrar of Modaraba Companies. The registered office of the modaraba is situated at 813, 8th Floor, Chappal Plaza, Hasrat Mohani Road, Off LLChundrigar Road, Karachi. The Modaraba is listed on the Pakistan Stock Exchange.

The Modaraba is engaged in various Islamic modes of financing and business including leasing, musharaka, murabaha arrangements, trading in listed securities and other commodities.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1994. The requirements of the Modaraba Companies and Modaraba (Plostation and Control) Ordinance, 1990. Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Euchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1990, the Modaraba Rules 1981 and directives issued by the SECP differ with the requirements of IFRS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1990, the Modaraba Rules 1981 or directives issued by the SECP pravail.

BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain financial assets which are stated at fair value.

These Condensed interim financial statements are unaudited and being submitted to Certificate Holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Modaraba in the preparation of theses condensed interim financial information are the same as those applied in preparation of the preceding published financial statements of the Modaraba for the year ended June 30, 2017.



		Sep.30,2017	Audited June 30,2017	
5.	PROPERTY & EQUIPMENTS - (OWNED)	(Rupi	(Rupees)	
٠.	Cost. Less Accumulated Depreciation	91,150 (66,806) 24,344	71,150 (65,611) 5,539	
6.	PROPERTY & EQUIPMENTS - (IJARAH)			
	Cost	134,340,800	134,340,800	
	Addition	32,088,300	24,302,300	
	(Disposal)	(31,468,000)	(21,468,000)	
	Less: Accumulated Depreciation	(34,935,066)	(38,241,048)	
		100.026.034	98.934.052	

7. CONTINGENCIES & COMMITMENTS

Contingencies

In the year 1996, the modarata filed an appeal before Customs, Excise and Sales Tax Appelatic Tribunal, Karachi bench against an allegation that the modarata has short paid of Rs. 377,755f as principal amount of sales tax short paid during the year 1998 and additional tax of Rs. 79,364f. A penalty of Rs. 10,000f was also imposed. The case is pending before the Honoratile Appelata Tribunal. The modaraba has not made any provision as the legal coursel expects a favourable outcome of the appeal.

Commitments

The modaraba has no commitments as at June 30, 2017 (2016: NIL)

8. RELATED PARTY TRANSACTIONS

The related parties comprise of associated undertakings, directors of the Modaraba Management Company. The Modaraba, in the normal course of business carries out transactions with these related parties. Significant transactions with related parties are as follows.

Nature of Transaction	Relationship with the Company		
Management fee	Management company	89,517	r
	_	89,517	

Figures have been rounded off to the nearest Rupee.

The annexed notes from 1 to 09 form an integral part of theses condensed interim financial information.

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POPULAR ISLAMIC MODARABA

An Islamic Financial Institution

Quarterly Accounts September 30, 2017 (Un-Audited)

Managed by:

Popular Islamic Modaraba Management Company (Pvt.) Ltd

If undelivered please retum to : Popular Islamic Modaraba 813 Chappal Plaza, Hasrat Mohani Road, Off. I.I. Road, Karachi-74000, Pakistan



DIRECTORS' REPORT

The Board of Directors of the Popular Islamic Modaraba Management Company (Pvt.) Limited, the Management Company of Popular Islamic Modaraba, is pelased to present the Directors' Report of the Modaraba for the Quarter ended September 30, 2017.

The sumarized financial results for the quarter ended September 30, 2017 are as under:

	Sep-17	Sep-16
	(Rupees	3)
Income	7,854,342	6,339,221
Operating expenses	(2,235,090)	(1,703,614)
Depreciation of Ijarah Assets	(4,759,691)	(3,841,691)
Operating profit	859,561	793,916
Profit before taxation	792,224	982,754
Taxation	(161,250)	
Profit after taxation	630,974	982,754
Earning per certificate - basic & diluted	0.06	0.10

Review of Operations:

By the grace of Almight Allah, the Modaraba was able to achieve Income of Rs.7.85 million which has 24% increased as compared to the income of September 30, 2016. The expenses amounted to Rs.6.99 million as compared to Rs.5.54 million of the corresponding period of the last year. This increase was mainly due to increased depreciation of Ijarah Assets. The profit after tax amounted to Rs.630,974/-, resultantly the EPC stood at Rc.0.06 per certificate. The Modaraba's performance was within the budgeted figures during the period under review.

Future Outlook:

Financing business is the focus of the Modaraba. Our endeavor to optimum and efficient utilization of our own resources as well as controlled leveraging of the balance sheet to book and gradually build good quality assets portfolio continues. Now as we have picked up the momentum, Insha Allah, we intend to remain in profit here onwards. The Modaraba is trying to balance Ijarah and Diminishing Musharakah financing to contorl the depreciation expenses which will help in increasing profit.

Acknowledgemen

The Modaraba has enjoyed the valuable guidance and support of Registrar Modarabas and the Securities and Exchange Commission of Pakistan during the period under review, and wishes to enjoy the same in future as well.

For and on behalf of the Board

Chief Executive Officer S. Faiq Husain

October 27, 2017

ni. ڈائزیکٹرڈکی دیورٹ برائے سہاہی 30 مخبر **2017**

وا کرینشرد کی میرون کا در این میرون کا در میرون برای میرون برای میرون برای 2017 پایار اسلام مفاریخ کمی (پرانیت)لبولد بوپایرا سلامک می میرون کسی بدان میکند و از کار فرد کار برد میران کاست سای 30 خبر برای میرون کار میرون کار میرون کار میرون کار میرون کار میرون کار کرد کرد کرد کرد کرد کرد کرد کار کار کار کار ک

نماياں مالياتی حتائج:		
	برائے ستبر 2017	برائے ستبر 2016
	ــــ(روپ	(
Ta نی	7,854,342	6,339,221
آ پریننگ اخراجات	(2,235,090)	(1.703,614)
اجارہ اٹالوں کی فرسودگی کے اخراجات (ٹربیری سی ایشن)	(4,759,691)	(3,841,691)
آ پر پانگ منافع	(859,561)	(793,916)
(نُتِنسان)/نُضِ قبل ازْلِيكِس	792,224	982,754
فيكس	(161,250)	
(تقصان) / نفع بعداز تیکس	630,974	982,754
(نقصان) /آمدنی فی سرفیقلیث	0.06	0.10

ožla Kulauk

ەفدىكىلىقى ئەرىمىدىن ئەرىكى كەرىكى 195. ئىلىن دەپىرى بەرگەزدىن مان ئىر 2010 كەرەب بەر ئەسەردۇد سېدىنچىلىدان كى كەرۇپ دە 1960 ئىلىن 1960 ئىلىن ئە 1960 ئىلىن ئىلىن ئە 1960 ئىلىن ئىلىن ئە 1960 ئىلىن ئىلىن

معتقبل كامكانات:

مشار کی قدیمان کے ساتھ میں مرکز ہے۔ اپند ممال کا زیادہ دور میں اور دور میں میں است آمین میں کا ایک میں میں می معرق کی طرف کا حق میں استفادہ اور کی میں میں کو جاری کی میں کے ہم کوشش کررہے ہیں کہ جارہ اور دو میٹنگ مشارکہ کا انسک میں قالان کا کم کر اور دی کے افران جارہ کی کی جائے جس سے آمدنی میں است و بور کا میں میں میں اور کا میں کہ میں استان کا میں کہ اور دو کی کے

> ا معراف: (دیم از محدت کے دوران مضارب محکور ہے رجز ارمضار پر میکوریز اینز اینکی کیمیٹن کے پاکستان کی رزندانی اور مشار میس می امیر در مکتا ہے۔ منابعہ منابعہ



INTERIM CONDENSED BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2017

7.671. 92. 12		Un-audited	Audited
		Sep-17	Jun-17
	Note	(RUPE	ES)
<u>ASSETS</u>			
NON CURRENT ASSETS			
Property and equipment - owned		24,344	5,539
Property and equipment - ijarah		100,026,034	98,934,052
Long Term Morabaha Finance		3,040,102	3,206,770
Long Term Modaraba Finance		250,000	250,000
Long Term Investment-Diminishing Musharaka		17,067,326	6,768,382
CURRENT ASSETS	_		
Investments - held for trading		7,757,094	7,867,679
Short term morabaha finance		7,413,545	8,006,944
Short term modaraba finance		750,000	750,000
Current portion of Diminishing Musharakah		3,043,401	4,057,869
Advances and other receivables		9,865,512	22,499,578
Cash and bank balances		8,109,427	6,458,656
	-	36,938,979	49,640,726
TOTAL ASSETS	_	157,346,785	158,805,469
LIABILITIES			
NON-CURRENT LIABILITIES			
Security deposits against Ijarah		49,439,630	49,841,830
CURRENT LIABILITIES	_		
Accrued and other liabilities		485,362	437,514
Current portion of security deposits		991,900	2,991,900
Provision for taxation		506,836	345,586
Unclaimed profit distribution		984,649	984,649
Payable to management company		25,000,000	25,000,000
Management fee payable		620,381	530,363
Sales tax on management fee	L	92,982	79,554
TOTAL LIABILITIES		28,682,110	30,369,566
		78,121,740	80,211,396
NET ASSETS	=	79,225,045	78,594,073
REPRESENTED BY CAPITAL AND RESERVES Authorized certificate capital 14,000,000 (2016: 14,000,000) modaraba certificates of Rs. 10 each		140,000,000	140,000,000
Certificate holders' equity	=	140,000,000	140,000,000
Certificate capital		100,000,000	100,000,000
	г	<u> </u>	18 18
Statutory reserve Accumulated profit		17,261,218 (38,036,173)	17,261,218 (38,667,146)
2 room mater profit	L	(20,774,955)	(21,405,928)
CONTINGENCIES & COMMITMENTS	-	79.225.045	78,594,072
		13.223.043	10,334,012

(Management Company)



INTERIM CONDENSED PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Un-audited	Un-audited
	Sep-17	Sep-16
Note	(RUPE	EES)
Income	7,854,342	6,339,221
moone	7,004,042	0,000,221
Operating expenses	(2,235,090)	(1,703,614)
Depreciation of Ijarah Assets	(4,759,691)	(3,841,691)
Operating profit	859,561	793,916
Other Income	146,193	
Unrealised (loss) / gain on remeasurement of investments at fair value	(110,585)	317,797
Profit before management fee	895,169	1,111,713
Management fee	(89,517)	(111,171)
Sales tax on management fee	(13,428)	(17,787)
Profit before taxation	792,224	982,754
Taxation- Prior period		-
Taxation- Current period	(161,250)	-
Profit after taxation	630,974	982,754
Other comprehensive income		-
Total comprehensive income	630,974	982,754
Earnings per certificate - basic & diluted	0.06	0.10



INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Un-audited

Sep-17

Un-audited

Sep-16

792,224	982,755
110,585	(268,379
1,195	4,999
	3,841,691
(65,673)	-
4,805,798	3,578,311
5,598,022	4,561,066
593,399	(769,724
1,014,468	450,000
	723,430
14,251,017	403,706
47.040	(23,577
	111,171
	17,787
	105,381
20,000,333	5,070,153
(9.084)	
	1.
19,991,249	5,070,153
166.668	
2,000,000	
(2,402,200)	-
-	125,000
(10,298,946)	
(18,340,478)	125,000
•	
1,650,771	5,195,153
6,458,656	3,035,351
8,109,427	8,230,504
	110,585 1,195 4,759,691 (65,673) 4,805,798 5,598,022 593,399 1,014,468 12,643,150 14,251,017 47,848 90,018 13,428 151,294 20,000,333 (9,084) (9,084) 19,991,249 19,991,249 10,000,000 (2,000) 2,000,000 (2,402,200) - (10,298,946) (18,340,478) - 1,650,771

For Popular Islamic Modaraba Management Company (Private) Limited (Management Company)

CHIEF EXECUTIVE DIRECTOR CHIEF EXECUTIVE DIRECTOR DIRECTOR DIRECTOR DIRECTOR DIRECTOR

For Popular Islamic Modaraba Management Company (Private) Limited (Management Company)