



**POPULAR ISLAMIC MODARABA**  
An Islamic Financial Institution

**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	-	-	4,580,864	4,580,864
Transferred to statutory reserve	-	916,173	(916,173)	-
Balance as at June 30, 2017	100,000,000	17,261,218	(38,667,147)	78,594,071
Profit for the Year	-	-	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 DIRECTOR

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

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Popular Islamic Modaraba (Formerly First Islamic Modaraba) is a multipurpose, perpetual Modaraba formed under the Modaraba and Modaraba (floatation 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 I.I. Chundrigar 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, murabahah 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, 1984. The requirements of the Modaraba Companies and Modaraba (floatation and control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (floatation and control) Ordinance, 1980, 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, 1980, the Modaraba Rules, 1981 or directives issued by the SECP prevail.

**3. 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 these 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.



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Sep.30,2017 Audited June 30,2017

(Rupees)

5. PROPERTY & EQUIPMENTS - (OWNED)		
Cost	91,150	71,150
Less: Accumulated Depreciation	(66,806)	(65,811)
	24,344	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 1998, the modaraba filed an appeal before Customs, Excise and Sales Tax Appellate Tribunal, Karachi bench against an allegation that the modaraba has short paid of Rs. 377,755/- as principal amount of sales tax short paid during the year 1998 and additional tax of Rs. 79,364/-; A penalty of Rs. 10,000/- was also imposed. The case is pending before the Honorable Appellate Tribunal. The modaraba has not made any provision as the legal course 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	Sep.30,2017	Audited June 30,2017
Management fee	Management company	89,517	-
		89,517	-

Figures have been rounded off to the nearest Rupee.

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

BOOK - POST



**POPULAR ISLAMIC MODARABA**  
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**Quarterly Accounts  
September 30, 2017  
(Un-Audited)**

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

**Managed by :**  
Popular Islamic Modaraba  
Management Company (Pvt.) Ltd

