



2021 Financial Report

FIRST IBL MODARABA

Managed By:
IBL Modaraba Management (Private) Limited

اسلامى مالياتى اداره



First IBL Modaraba

ABOUT FIRST IBL MODARABA

Mission

Our mission is to strive for continued excellence in providing quality services to the business community as a whole, with the ultimate goal to increase the value of certificate holders

Vision

Our mission is to strive for continued excellence in providing quality services to the business community as a whole, with the ultimate goal to increase the value of certificate holders

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Licensed Entities Verification
Scam motor*
Jamapunji games*
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Insurance & Investment Checklist
FAQs Answered

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Financial calculator
Subscription to Alerts (event
notifications, corporate and
regulatory actions)
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Online Quizzes



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Education Initiative of
Securities and Exchange
Commission of Pakistan

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CORPORATE INFORMATION

Modaraba Management Company

IBL Modaraba Management (Pvt.) Limited

Board of Directors

Arslan Khan Khakwani
Ibrahim Hassan Murad
Aamir Manzoor

Chairman
Director
Chief Executive

Company Secretary

Hassan Fareed

Chief Financial Officer

Zeeshan Ahmed

Internal Auditor

Rana Rizwan Tariq

Sharia'ah Advisor

Dr. Salman Ahmed Khan

Legal Advisor

M/s. Holscott International [Legal services]

Bankers

Habib Bank Limited – Islamic Banking
Meezan Bank Limited
MCB Islamic Bank Limited
The Bank of Punjab - Taqwa

Registrar

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

Registered/ Principal Office

Office No.412, 4th Floor, 89/B-3, Al Hafeez
Business Center, Gulberg 3, Lahore.

NOTICE OF ANNUAL REVIEW MEETING (ARM)

Notice is hereby given to the certificate holders of First IBL Modaraba that Annual Review Meeting [ARM] of certificate holders will be held on Thursday, October 28, 2021 at 03:00 p.m. at principal office of First IBL Modaraba, Room No. 412, 4th Floor, Al-Hafeez Business Centre, 89-B-III, Gulberg-III, Lahore to review the performance of First IBL Modaraba for the year ended June 30, 2021.

The persons entitled to attend the meeting will be those certificate holders whose names are entered in the register of certificate holders seven (7) days before October 28, 2021.

The certificate transfer books of FIBLM will remain close from October 22, 2021 to October 28, 2021 (both days inclusive)

S/D

**Company Secretary
October 6, 2021**



REVIEW REPORT BY THE CHAIRMAN

For the year ended June 30, 2021

Dear Valued Certificate Holders

السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

I am delighted to be reporting on another year of achievement for First IBL Modaraba, thanks to the dedicated contribution of my fellow Board Members and our team.

We are committed towards fulfilling our mission of becoming the leading Modaraba in Pakistan. In acknowledgment of the confidence and trust shown by our esteemed certificate holders

Despite myriad of challenges owing to Covid-19, your Modaraba successfully managed report Rs. 3.3 million profit before tax.

During the financial year 2021, the Board's overall performance and effectiveness has been assessed as satisfactory. The overall assessment is based on an evaluation of integral components, including vision, mission and values, engagement in strategic planning, formulation of policies, monitoring the business activates etc.

I once again express my sincere appreciation to my fellow Board Members for their time, energy and dedication during the year for the insights and expertise they each bring to overseeing Modaraba's activities.

S/D

Arslan Khan Khakwani
Chairman

DIRECTORS' REPORT

Directors' Report

The Board of Directors of IBL Modaraba Management (Private) Limited [IBLMM], the Management Company of First IBL Modaraba [FIBLM], is pleased to present the Audited Financial Statements of First IBL Modaraba for the year ended June 30, 2021 along with Auditors' Report thereon.

Financial Results:

Summarized results for the year are as under:

	June 2021	June 2020
	Rs In "000"	
Operating income	14,929	17,082
Other income	9,129	10,111
Reversal of suspension	198	175
Expenses	20,858	22,876
Management fee- 10%	340	445
Workers welfare fund	142	---
Net profit after Tax	2,917	4,048

Performance Review:

Despite of pandemic situation, management of Modaraba put its best efforts to sustain the profitability of modaraba hence reported profit before tax of Rs.3.3 million.

Segment wise income contribution of Modaraba's operating income was as follows:

Income Segment	Contribution
Ijarah	16.50%
Musharikah	45.05%
Other Income	38.45%

Total assets of modaraba stood at Rs.212.069 million as compared to Rs.229.705 million in the preceding period. Liabilities in current FY reported amounting to Rs.18.202 million with amount of Rs.35.735 million in the corresponding year.

Major source of income during the period under review was from musharikah in which total amount of Rs.53.125 million was invested and generated income of Rs.10.92 million.

Total expenses of modaraba were reduced by 8.82% as compared to the preceding period.

After putting its best efforts the management of modaraba recovered an amount of Rs.0.719 million from its unverifiable receivables.

In compliance with section 2, subsection 1, clause 8 of prudential regulations for Modarabas 2021, your modaraba restated its financial statements and reclassified/restate its revaluation reserves.

Furthermore, effect of bonus shares along with dividend income thereon was not taken in to effect in the FY 2020 which is now been incorporated.

Attendance of board meetings:

During the financial year 2020-21 the attendance of board meeting was as follows:

Sr #	Name of director	No of meetings	No. of meetings attended	Leave or absence
1	Mr. Naveed Amin	03	03	0
2	Mr. Arslan Khan Khakwani	04	04	0
3	Mr. Ibrahim Hassan Murad	04	04	0
4	Mr. Shiraz Butt	02	02	0

Composition of board of directors:

During FY 2020-21 the numbers of directors were as follows:

Number of director	Male	Female	Total
Number of directors	04	0	04

During November 2020 Mr. Shiraz Butt (Chief Executive) resigned and after approval from Securities & Exchange Commission of Pakistan Mr. Aamir Manzoor was appointed as new Chief Executive Officer on May 28, 2021.

During the year under review Mr. Naveed Amin (independent director/ chairman audit committee) also resigned from his position. Steps are being taken for appointment of new independent director.

The composition of board of director's during FY 2020-21 was as follows:

Sr #	Name of director	Type
1	Mr. Ibrahim Hassan Murad	Non-Executive
2	Mr. Arslan Khan Khakwani	Non-Executive
3	Mr. Naveed Amin (Resigned on March 31, 2021)	Independent
4	Mr. Shiraz Butt (Resigned on November 23, 2021)	Chief Executive
5	Mr. Aamir Manzoor (appointed on May 28, 2021)	Chief Executive

Operating data for six years:

The operating data for six (06) years is annexed to this report.

Pattern of certificate holding:

The detailed pattern of certificate holding as required under the Code of Conduct is annexed to this report.

There has been no trading in the certificates of modaraba by any of its Directors, CEO, CFO, Company Secretary or their spouses and minor children unless specified in the financial statements.

Stock Market Review:

Pakistan's stock market shows remarkable performance in this year. During the period, the benchmark KSE-100 index improved from 34,889.41 points to 44262.35 points. During this time, the Index closed at its highest point of 46,933.63 on February 3, 2021, before the third wave of COVID-19 dragged it down. The number of listed companies stood at 532, with total market capitalization of Rs.7,892 billion as compare to Rs.6,529 billion in preceding period.

The turnover in shares reached its peak in January 2021, indicating that investors were actively investing in the market. The market activity slowed down after February 2021 as the third wave of COVID-19 intensified. The average daily shares volume has been higher this year as compared to

previous year, suggesting that more buyers and sellers are there in the market which makes it easier and faster to execute a trade. On 27th May 2021, PSX witnessed an all-time high daily trading volume with 2.21 billion shares traded in a single session.

The distinguishing feature of this year is the significant number of IPOs that took place. It implies that companies are confident about business prospects. Demand for stocks of Technology & Communication sector spurred in the current pandemic. Work from home model accelerated the digital revolution contributed to its growth.

Economic Review:

Despite myriad of challenges, Pakistan's economy is moving progressively on higher inclusive and sustainable growth path on the back of various measures and achievements during the year.

Pakistan was implementing stabilization policy post crisis of 2017-18 and the economy was recovering from macroeconomic imbalances but COVID-19 slowed down the pace which was recovered initially but the advent of 2nd and 3rd wave brought significant challenges which were met by the timely prudent policies. Pandemics like COVID-19 are once-in-a-century event that devastate global economies. Pakistan did much better in coping up with the pandemic compared to many countries.

Economy has witnessed a V – shaped recovery. The current economic recovery has been achieved without compromising internal and external stability. Manufacturing has witnessed broad-based growth as major sectors of LSM have shown significant improvement i.e., Textile, Food Beverages & Tobacco, Non-Metallic Mineral Products and Automobile.

Current account posted a surplus of \$ 0.8 billion, during FY2021 for the first time in 17 years. Inflows of foreign exchange through the Roshan Digital Account (RDA) crossed the \$1 billion mark during FY2021. SBP's foreign exchange reserves rose to \$16 billion, four-years high. Keeping in view the significant performance pertaining to FATF conditions, potential of exports and e-commerce, Pakistan has been added into the Amazon's seller list. Pakistan has entered the international capital market after a gap of over three years by successfully raising \$ 2.5 billion through Euro bonds

IMF has acknowledged that the government policies have been critical in supporting the economy and saving lives and livelihoods. The IMF and Pakistan have announced the resumption of stalled \$ 6 billion loan program. During the year, all three major credit rating agencies, Moody's, Fitch and Standard & Poor's, reaffirmed their sovereign credit Ratings for Pakistan. This reaffirmation is reflective of the sound policies of the Government and of the confidence reposed by these leading international institutions in the country's economic outlook.

During FY2020-2021, the two gas utility companies (SNGPL & SSGCL) have laid 143 Km gas transmission network, 2,616 Km distribution and 886 Km services lines and connected 70 villages/towns to the gas network. During the same period 304,573 additional gas connections including 303,243 domestic, 1,020 commercial and 310 industrial connections were provided across the country. Installed capacity of electricity increased to 37,261 MW during FY2020-2021 compared to same period last year, showing an addition of 1,289 MW. Likewise, its generation increased to 102,742 GWh showing an additional generation of 6,360 GWh during the period under discussion. The share of Industry in electricity consumption has increased to 26.3 percent as compared to 25.5 percent in the same period last year.

Future Outlook:

In order to enhance profitability, the management is taking concrete steps including penetration in micro finance segment.

Upon withdrawal of tax exemption the management is observing market norms and working on new business strategy for survival.

Auditors:

The present auditors M/s. Crowe Hussain Chaudhry & Co Chartered Accountant, being due for retirement, have offered themselves for re-appointment for the year ending June 30, 2022. Their appointment has been confirmed by the Board, subject to approval by the Registrar Modaraba office.

Acknowledgement:

The Board remains thankful to Securities & Exchange Commission of Pakistan, Registrar Modaraba, State Bank of Pakistan, and NBFIA & Modaraba Association of Pakistan for providing us their usual support and guidance.

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

Finally, the Board appreciates the dedication and hard work put in by the management and all staff members of First IBL Modaraba.

For & On behalf of the Board

S/D

Aamir Manzoor
Chief Executive

Date: September 24, 2021

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بورڈ آف ڈائریکٹرز کی ساخت:

ماہی سال 2020-21 میں بورڈ آف ڈائریکٹرز کی تعداد درج ذیل تھی۔

ڈائریکٹرز کی تعداد	مرد	عورت
ڈائریکٹرز کی تعداد	04	0

نومبر 2020 میں چیف ایگزیکٹو جناب شیراز بٹ نے استعفی دے دیا جسکے بعد سکورٹیز اینڈ ایگزیکیوٹو کمیشن کی منظوری کے بعد 28 مئی 2021 کو عام منظور نے چیف ایگزیکٹو منتخب ہوئے۔ دوران مدت جناب نوید امین (آزاد ڈائریکٹر) اور حیر مین آؤٹ کمیٹی نے بھی استعفی دے دیا۔ نیا آزاد ڈائریکٹر کو منتخب کرنے کے لئے کاوشیں جاری ہیں۔

ماہی سال 2020-2021 میں بورڈ آف ڈائریکٹرز کی ساخت درج ذیل تھی۔

نمبر شمار	ڈائریکٹر کا نام	قسم
1	جناب ابراہیم حسن مراد	فیر ایگزیکٹو
2	جناب ارسلان خان خاکا فانی	فیر ایگزیکٹو
3	جناب نوید امین (مستعفی)	آزاد
4	جناب شیراز بٹ (مستعفی)	چیف ایگزیکٹو
5	جناب عامر منظور	چیف ایگزیکٹو

چھ سالوں کا آپریٹنگ ڈیٹا (اعداد و شمار):

مضارب کے گذشتہ 6 سالوں کا آپریٹنگ ڈیٹا اس رپورٹ کے ساتھ منسلک ہے۔

سرٹیفکیٹ رکھنے کا رجحان:

کارپوریٹ گورننس کے ضابطہ کے مطابق سرٹیفکیٹ رکھے جانے کا رجحان کی تفصیل اس رپورٹ کے ساتھ منسلک ہے۔

مضارب کے سرٹیفکیٹس اشیرز میں کسی ڈائریکٹر سی ای او، سی ایف او، کمپنی سیکریٹری یا ان کے شریک حیات یا مالک بچوں کی طرف سے کوئی خرید و فروخت نہیں ہوئی تا وقتیکہ اس کو مالیاتی دستاویزات میں ظاہر نہ کیا گیا ہو۔

سٹاک مارکیٹ کا جائزہ:

سٹاک مارکیٹ نے اس سال مجموعی طور پر اچھی کارکردگی کا مظاہرہ کیا۔ دوران سال KSE-100 انڈیکس 34,889 پوائنٹس سے بڑھ کر 44,262 پوائنٹس پر آ گیا۔ اس دوران 03 فروری، 2021 انڈیکس 44,934 پوائنٹس کی بلند ترین سطح پر بند ہوا جبکہ کرونا کی تیسری لہر سے پہلے یہ نیچے تھا۔ لسٹڈ کمپنیوں کی کل تعداد 532 رہی اور ٹوٹل مارکیٹ کیپٹلایزیشن پچھلے سال کے 6,529 بلین روپے کے مقابلے میں 7,892 بلین روپے رہی۔

جنوری 2021 میں حصص کا کاروبار عروج پر تھا جس سے ظاہر ہوتا ہے کہ سرمایہ کار فعال طور پر سرمایہ کاری کر رہے تھے۔ لیکن فروری 2021 میں یہ سرگرمی سست پڑ گئی جسکی وجہ کووڈ کی تیسری لہر تھی۔

یومیہ اوسط حصص کا حجم اس سال پچھلے سال سے زیادہ رہا ہے جو کہ اس بات کا عکس ہے کہ مارکیٹ میں خریدار اور بیچنے والے موجود تھے اور کاروبار آسان رہا۔ 27 مئی 2021 کو پی ایس ایکس میں ایک ہی وقت میں 2.21 بلین حصص کی تجارت ہوئی۔

اس سال کی امتیازی خصوصیت آئی پی او کی نمایاں تعداد ہے جسکا مطلب کمپنیوں کا روہار کے لیے پراعتماد ہیں۔ پیپڈ میٹک کے دوران ٹیکنالوجی اور کیونیکیشن کے سٹاک کی مانگ میں خاطر خواہ اضافہ ہوا۔ گھر سے کام کرنے کے ماڈل نے ڈیجیٹل سیکٹر میں انقلاب برپا کیا۔

اقتصادی جائزہ:

مختلف چیلنجز کے باوجود پاکستان اقتصادی ترقی کی راہ پر گامزن ہے جسکی پشت پناہی دوران سال میں لئے گئے اقدامات اور کامیابیاں ہیں۔

سال 2017-18 کے بحران کے بعد پاکستان استحکامی پالیسی پر عمل درآمد کر رہا تھا اور ریکورڈ کا ناکہ میں بھی بہتری آ رہی تھی۔ لیکن کووڈ 19 کی وجہ سے اسکی رفتار میں کمی دیکھی گئی بعد ازاں اس میں بحالی بھی دیکھی گئی لیکن کووڈ کی دوسری اور تیسری لہر بہت سے چیلجز لائی جبکہ مقابلہ بروقت اقدامات سے کیا گیا۔ کووڈ 19 جیسا وبا کی مرض صدیوں میں ایک بار آتا ہے جو معیشتوں کو تباہ کر دیتا ہے لیکن پاکستان کی اس وبا کی مرض سے نمٹنے کی کارکردگی بہت بہتر رہی۔

انٹرنیٹ اور ٹیلی فون کا مظاہرہ کیا۔ موجودہ معاشی بحالی اندرونی و بیرونی استحکام پر سمجھوتہ کے بغیر حاصل کی گئی ہے۔ مینوفیکچرنگ سکٹر میں وسیع پیمانے پر ترقی ہوئی۔ بڑا ایکٹر ہونے کے ناطے LSM جیسا کہ ٹیکسٹائل، فوڈ، تہا کو منرل پراڈکٹس اور آٹو موٹو بائیل میں بھی خاطر خواہ ترقی دیکھی گئی۔

گذشتہ 17 سال کے عرصہ میں کرنٹ اکاؤنٹ میں 0.8 بلین ڈالر کا اضافہ دیکھا گیا۔ روشن ڈیجیٹل اکاؤنٹ کے ذریعے حاصل ہونے والے ذرمبادلہ نے سال جون 2021 تک 1 بلین ڈالر کا ہدف حاصل کیا۔ سٹیٹ بینک کے ذرمبادلہ کے ذخائر چار سال کی بلند ترین سطح 16 بلین ڈالر پر پہنچ گئے۔ FATF کی شرائط کو مد نظر رکھتے ہوئے، برآمدات اور ای کامرس کی کارکردگی دیکھتے ہوئے امازون نے پاکستان کو اپنی فروخت کنندگان کی لسٹ میں شامل کر لیا گیا ہے۔ تین سال کے وقفے کے بعد پاکستان بین الاقوامی کھیل مارکیٹ میں 2.5 بلین ڈالر کے یورپانڈ کے ساتھ کامیابی کے ساتھ داخل ہو گیا ہے۔

آئی ایم ایف نے تسلیم کیا ہے کہ حکومتی پالیسیاں معیشت اور معاش کو سہارا دینے میں اہم کردار ادا کر رہی ہیں۔ آئی ایم ایف اور پاکستان نے اپنے 6 بلین ڈالر کے پروگرام کو شروع کر دیا ہے۔ اس ضمن میں دو ماہانہ سال تینوں بڑی کریڈٹ ریٹنگ ایجنسیوں موڈیز، فچ اور سٹینڈرڈ اینڈ پورز نے پاکستان کی خود مختار کریڈٹ ریٹنگ کی دوبارہ تصدیق بھی کر دی ہے۔ یہ تصدیق حکومت کی معاشی نقطہ نظر میں بین الاقوامی اداروں کے اعتماد کا اظہار ہے۔

دوران مانی سال 2020-2021 دونوں گیس پالیسی کمیٹی (ایس این جی پی ایل اور ایس ایس جی سی ایل) نے 2616 کلومیٹر لمبی ڈسٹرکٹیشن لائین بچھا کر 70 دیہاتوں اور قصبوں کو گیس کی فراہمی ممکن بنائی۔ اس مدت کے دوران تین لاکھ چار ہزار پانچ سو تتر اضافی گیس کنکشن جن میں تین لاکھ تین ہزار دو سو تالیس گھریلو، ایک ہزار تیس تجارتی اور تین سو دس صنعتی کنکشن ملک بھر میں فراہم کئے گئے۔ گذشتہ سال کے مقابلے میں مانی سال 2020-2021 کے دوران بجلی کی نصب شدہ صلاحیت بڑھ کر 37,261 میگا واٹ ہو گئی جو کہ 1,289 میگا واٹ کا اضافہ ظاہر کرتی ہے۔ بجلی کی کچھت میں انڈسٹری کا حصہ بڑھ کر 26.3 فیصد ہو گیا جو گذشتہ سال اسی مدت میں 25.5 فیصد تھا۔

مستقبل کا منظر نامہ:

منافع کو بڑھانے کے لئے منجمنٹ ٹھوس اقدامات کر رہی ہے اور مائیکرو فنانسنگ میں سرمایہ کاری کرنے جا رہی ہے۔ ٹیکس چھوٹ ختم ہوجانے کی وجہ سے منجمنٹ مارکیٹ کا مشاہدہ کر رہی ہے اور بقا کے لئے نئی کاروباری حکمت عملی پر کام کر رہی ہے۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز کرو حسین چوہدری اینڈ کو، چارٹرڈ اکاؤنٹنٹس نے دوبارہ تقرری کے لیے اپنی خدمات پیش کی ہیں۔ بورڈ کرو حسین چوہدری اینڈ کو، چارٹرڈ اکاؤنٹنٹس کو بطور بیرونی آڈیٹر 30 جون 2022 کے اختتام تک کے لیے تقرری کی توثیق کر چکا ہے جو رجسٹرڈ مضماریہ ایس ای سی پی اسلام آباد کی منظوری سے مشروط ہے۔

اعتراف:

بورڈ سیکو ریٹیز اینڈ ایکسچینج کمیٹی آف پاکستان، رجسٹرڈ مضماریہ، بینک دولت پاکستان اور INBF اینڈ مضماریہ ایسوسی ایشن کا ان کی حمایت اور رہنمائی کرنے پر احسان مندی کا اظہار کرتا ہے۔ بورڈ اپنے سرٹیفیکیٹ کنندگان اور کسٹمرز کے اعتماد کرنے کو سراہتا ہے اور ان کا شکر گزار ہے اور انکوائس باس کا یقین دلاتا ہے کہ ہم مناسب اندرونی نگرانی کے نظام کو برقرار رکھیں گے اور خدمات کی فراہمی میں ذاتی توجہ اور بہتر کارپوریٹ گورننس کی ادائیگی کیلئے تمام شعبوں میں مثالی ماحول کو بھی برقرار رکھیں گے۔ آخر میں بورڈ فرسٹ آئی بی ایل مضماریہ کی انتظامیہ اور تمام عملے کے خلوص اور سخت محنت کو سراہتا ہے۔

S/D

عام محاور

چیف ایگزیکٹو آفیسر

4 ستمبر 2021

SIX YEARS' FINANCIAL SUMAMRY

BALANCE SHEET

(Rs in Million)

Year Ended June 30.	2015	2016	2017	2018	2019	2020
CURRENT ASSETS						
Cash and bank balances	24.58	20.70	13.91	23.50	32.05	44.16
Ijarah rental receivables	0.53	0.99	0.38	0.44	1.30	1.24
Advances, prepayments & other receivables	13.64	12.34	10.35	9.21	11.97	7.10
Short term investments	11.87	36.18	7.64	5.93	2.90	3.83
Short term musharikhah receivables	-	-	-	-	-	8.00
Current portion of musharikhah receivables	16.50	14.41	42.39	65.06	50.71	27.24
Current portion of murabaha receivables	22.21	18.34	-	0.50	-	-
Total Current Assets	89.32	102.96	74.67	104.64	100.13	93.00
NON-CURRENT ASSETS						
Long term musharikhah receivables	-	-	29.03	1.89	20.18	42.63
Long term advances and deposits	2.71	2.71	2.71	2.62	2.62	2.62
Investment Property	87.08	82.08	77.08	72.08	67.08	62.08
Fixed assets under ijarah arrangements	31.89	35.64	42.29	40.13	36.85	26.97
Fixed assets under own use	1.28	0.78	2.57	2.85	3.35	2.41
Intangible assets	0.17	0.08	-	-	-	-
Total Non-Current Assets	123.12	121.30	153.68	119.58	130.08	136.70
Total Assets	212.44	224.26	228.35	224.22	230.21	229.70
CURRENT LIABILITIES						
Creditors, accrued & other liabilities	3.61	5.20	1.49	1.06	1.77	1.37
Short term borrowing	-	10.00	15.00	-	-	-
Musharikhah profit payable	1.43	1.43	1.43	1.43	1.43	1.43
Musharikhah finance	8.20	4.20	0.70	0.70	0.70	0.70
Current portion of non current liabilities	4.41	5.08	7.73	11.11	14.73	18.89
Provision for taxation	-	-	-	-	-	-
Unclaimed profit distribution	8.41	9.48	9.37	10.48	10.48	10.67
Total current Liabilities	26.06	35.38	35.72	24.79	28.76	33.06
NON CURRENT LIABILITIES						
Long term security deposits	10.25	10.05	9.76	10.16	10.01	3.67
Total non current Liabilities	10.25	10.05	9.76	10.16	10.01	3.67
EQUITY						
Issued, subscribed & paid up capital	201.88	201.88	201.88	216.88	216.88	216.88
Reserves	39.09	41.06	43.06	43.07	44.01	44.81
Revenue Reserve and Unappropriated profit	(73.56)	(69.73)	(68.81)	(75.98)	(72.08)	(72.30)
Modaraba certificate deposit money						
Total Equity	167.40	173.21	176.13	183.96	188.81	189.39
Un realized gain on revaluation on investment	8.72	5.63	6.74	5.32	2.64	3.59
	212.44	224.26	228.35	224.22	230.22	229.70

SIX YEARS' FINANCIAL SUMAMRY

COMPARITIVE FINANCIAL SUMMARY PROFIT & LOSS SUMMARY

(Rs in Million)

Year Ended June 30.	2015	2016	2017	2018	2019	2020
INCOME						
Income from Ijarah	10.12	12.72	15.49	20.23	9.55	7.70
Profit on murabaha investments	3.66	2.25	-	0.06	0.01	-
profit on musharikhah investments	1.65	3.61	6.34	6.71	8.47	9.38
Sub-total	15.43	18.58	21.83	27.00	18.03	17.08
OTHER INCOME						
income from investment property	7.50	7.50	7.50	7.50	7.50	7.50
Profit on deposits	0.38	1.54	1.42	0.14	0.74	1.70
Income from short term investments	3.96	6.29	0.48	-	-	0.05
Dividend Income						
Reversal of provision against non performing musharikhah	4.34	9.85	10.24	0.00	8.63	0.00
Reversal of musharikhah profit held in suspense account	2.64	0.00	2.98	0.00	0.00	0.18
balances written back	0.83	0.00	0.54	0.00	0.00	0.00
Other income	0.69	0.16	2.40	1.05	1.77	0.87
Sub-total	20.34	25.34	25.56	8.69	18.64	10.29
Total Income	35.77	43.91	47.39	35.69	36.67	27.37
EXPENSES						
Operating Expenses	19.49	21.49	23.97	21.19	17.82	16.45
Depreciation on assets under ijarah	8.85	10.83	11.75	13.63	12.80	6.41
Other operating expenses	1.52	0.67	0.47	0.82	0.83	0.02
Total Expenses	29.85	32.98	36.19	35.64	31.44	22.88
Taxation	-	-	0.09			
Profit/ (loss) before Management Fee	5.92	10.93	11.11	0.05	5.23	4.49
Management Fee	0.59	1.09	1.11	0.00	0.52	0.44
Net Profit	5.33	9.84	10.00	0.04	4.70	4.04

**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019)
FOR THE YEAR ENDED JUNE 30, 2021**

The company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are 3 as per the following,-

- * a. Male: 3
- ** b. Female: 0

* The requirement of minimum 7 directors does not applied to Modaraba as Modaraba is being managed by a Management Company which is Private Limited by its nature.

** Steps are being taken for appointment of Female Director on the Board of Directors.

2. The composition of the Board is as follows:

Category	Names
Independent Director *	Mr. Naveed Amin - Resigned on March 31, 2021
Chief Executive	Mr. Aamir Manzoor
Non-Executive Director	Mr. Ibrahim Hasan Murad Mr. Arslan Khan Khakwani

* Mr. Naveed Amin, an Independent Director, resigned from Board of Directors on March 31, 2021. Steps are being taken to appoint another independent director in his place.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/ mission statement, overall corporate strategy and significant policies of the company. 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 company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as 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 remuneration of directors in accordance with the Act and these Regulations;
9. One member of the Board is exempted from Director's Training by virtue of his requisite qualification and experience of serving on the Board of a listed Company.

10. The Board has approved appointment of chief financial officer, company secretary and 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*

Mr. Naveed Amin Chairman – Resigned on March 31, 2021
Mr. Ibrahim Hasan Murad Member
Mr. Arslan Khan Khakwani Member

* Audit Committee comprises of only 2 members, who are non-executive directors, at year end. Mr. Naveed Amin, Chairman who was Independent and financially literate director resigned on March 31, 2021.

b) HR and Remuneration Committee

Mr. Arslan Khan Khakwani Chairman
Mr. Naveed Amin Member – Resigned on March 31, 2021
Mr. Ibrahim Hasan Murad Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following,-

a) Audit Committee* 3
b) HR & Remuneration Committee 0

* Audit Committee Meeting was not held in last quarter of the year because Chairman resigned on March 31, 2021 and quorum was not complete to hold meeting.

15. The Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the company 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 (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the 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 except 3, 6, 7, 27; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36:

Sr. No.	Regulation No.	Description	Explanation
1	19	By June 30, 2021, at least 75% of the directors shall acquire certification under director training program.	Mr. Naveed Amin, resigned from Board of Directors on March 31, 2021. He was an Independent Director who is a Fellow Chartered Accountant with over 20 years of experience in financial sector as Director/Chief Executive. By virtue of requisite qualification, he was exempted from Directors Training Program. Directors' Training Program shall be organized for remaining Directors by the end of June 30, 2022.
2	28(1)	HR & R Committee shall have at least 3 members comprising non-executive and one independent director.	HR & R Committee comprises of only 2 members at year end who are non-executive directors. Mr. Naveed Amin, Independent director who is member of HR & R committee resigned on March 31, 2021.
	28(2)	The Chairman of HR & R Committee shall be independent director.	Arslan Khan Khakwani, Chairman of HR & R Committee is not an independent director. Management intends to take steps so that Independent Director is appointed by the end of June 30, 2022.
	28(3)	HR & R Committee shall meet at least once in a financial year.	HR & R Committee meeting was not held in the financial year because quorum of meeting was not complete.
3	31	Appraisal of Head of Internal Audit shall be done jointly by Chairman of audit committee and CEO.	The Head of Internal Audit was appointed in June 2021 upon the resignation of previous Head of Internal Audit. Therefore, the annual appraisal could not be done this year.

S/D

Chairman

S/D

Chief Executive Officer

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
OF
FIRST IBL 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 IBL Modaraba Management (Private) Limited for and on behalf of First IBL Modaraba ("The Modaraba") for the year ended June 30, 2021 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 Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company'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 Company's personnel and review of various documents prepared by the 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 Company's corporate governance procedures and risks.

The Regulations require the 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 of 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 Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2021.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1.	1	At least one female director is not elected on the Board of Directors of the Modaraba.
2.	2	Modaraba has not appointed any independent director as member of its Board as required under clause 6 of the Regulations.
3.	9	At least 75% of the Directors have not acquired the prescribed certification under the Directors' Training Program as required under clause 19 of the Regulations.
4.	12	Audit Committee does not have three members as at the reporting date. Neither chairman of the audit committee is independent director nor is any director financially literate as required under clause 27 of the Regulations.
5.	14	Audit Committee meeting was not held in last quarter of the year as required under clause 27 of the Regulations.
6.	19	Human Resource & Remuneration Committee does not have three members as at the reporting date and the chairman is not an independent director. Meeting of the committee was not held in the financial year as required under clause 28 of the Regulations.
7.	19	Performance appraisal of Head of Internal Audit is not done jointly by Chairman of audit committee and CEO as required under clause 31 of the Regulations.

Lahore

Dated: September 24, 2021

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

AUDITORS' REPORT TO THE CERTIFICATE HOLDERS

We have audited the annexed balance sheet of **First IBL Modaraba** ("the Modaraba") as at June 30, 2021 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the financial statements), for the year then ended 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 our audit.

These financial statements are the Modaraba Company's [IBL Modaraba Management (Private) Limited]] responsibility who is also responsible to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies and significant estimates made by the Modaraba Company, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) We were unable to verify receivable from employees balances aggregate to Rs. 570,544 (2020: 570,544) included in "Advances, prepayments and other receivables" and deposits of Rs. 1,098,760 (2020: 1,098,760) included in "Long term advances and deposits" due to non-availability of any records / information / direct confirmations.
- b) in our opinion, except for the possible effects of the matter described in above para (a) proper books of accounts have been kept by the Modaraba Company in respect of the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981;
- c) in our opinion, except for the possible effects of the matter described in above para (a);
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981, and are in agreement with the books of accounts and are further in accordance with the accounting policies consistently applied except for the changes as stated in note 5 with which we concur;
 - (ii) the expenditure incurred during the year was for the purpose of the Modaraba's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects, terms and conditions of the Modaraba;
- d) in our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in above para (a) the balance sheet, profit

and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981, in the manner so required and respectively give a true and fair view of the state of the Modaraba affairs as at June 30, 2021 and of the profit, comprehensive income, its cash flows and changes in equity for the year then ended; and

- e) Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) was deducted by Modaraba and deposited in Central Zakat Fund established under section 7 of the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of the Modaraba for the year ended June 30, 2020 were audited by another auditor who expressed modified opinion on these financial statements on September 28, 2020.

LAHORE
Dated: September 24, 2021

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

(Engagement Partner: Amin Ali)

SHARI'AH ADVISOR'S REPORT FOR THE YEAR ENDED June 30, 2021

I have conducted the Shari'ah review of First IBL Modaraba managed by IBL Modaraba Management (Pvt.) Ltd. for the year ended June 30, 2021 in accordance with requirement of the Shari'a Compliance and Shari'ah Audit Mechanism for Modaraba.

I acknowledge and certify that as Sharia Advisor of the Modaraba, the financial arrangements, contracts and transactions entered into by the company with its customers, stake holders and participants are in compliance with the requirements of Sharia rules and principles.

During the review I have verified the following in compliance with Shariah mechanism:

- The transactions of Musharakah were reviewed on random selection basis.
- Declarations, description of assets, relevant purchase invoices, sequence and order of the documents and time difference between purchases and declaration where applicable were reviewed to obviate the possibility of fictitious transactions.
- Sharia Compliance Checklists (SCC) of transactions was also reviewed on random basis.
- During the year, credit approvals, customer-specific transaction process flows, text of documents and security documents were reviewed to ensure Shariah compliance while offering financing products to the customers.
- Random physical inspections and concrete measures were taken to verify the purchase evidences and invoices of financing transactions, thus further improving the quality of internal controls.
- Other related documents and procedures followed by different functional areas were found proper.
- During the year onsite training has been given to the staff.
- There is no receipt of charity during the financial year accordingly no amount was credited into charity account.

Conclusion

In this context of detailed Shari'ah review carried by the undersigned for the Year ended June 30, 2021, transactions during the period executed by FIBLM were found satisfactory as required by Shari'ah Audit Mechanism.

S/D

Dr. Mufti Salman Ahmad Khan
Shari'ah Advisor
August 27, 2021

First IBL Modaraba Annual Report 2021

BALANCE SHEET FOR THE PERIOD ENDED JUNE 30 2021

	Note	2021 Rupees	2020 Rupees (Restated)	2019 Rupees (Restated)
ASSETS				
Current Assets				
Cash and bank balances	7	52,113,573	44,158,744	32,047,734
Short term investments	8	4,737,279	3,827,623	2,896,345
Ijarah rentals receivable	9	126,560	1,236,779	1,300,470
Short term musharaka receivables	10	600,000	8,000,000	-
Advances, prepayments and other receivables	11	4,918,627	7,098,466	11,971,466
Advance income tax		1,693,272	1,436,994	1,211,210
Current portion of long term musharaka receivables	12	53,241,647	27,239,348	50,705,110
		117,430,958	92,997,954	100,132,335
Non-Current Assets				
Long term musharaka receivables	12	26,846,434	42,627,904	20,179,814
Long term advances and deposits	13	2,619,260	2,619,260	2,619,260
Investment property	14	57,083,578	62,083,606	67,083,634
Fixed assets under ijarah arrangements	15	6,634,853	26,969,167	36,846,759
Fixed assets under own use	16	1,454,397	2,407,796	3,348,799
		94,638,522	136,707,733	130,078,266
Total Assets		212,069,480	229,705,687	230,210,601
LIABILITIES				
Current Liabilities				
Creditors, accrued and other liabilities	17	826,423	1,373,540	1,773,892
Musharaka profit payable		-	1,430,192	1,430,192
Musharaka finances payable		700,000	700,000	700,000
Current portion of long term security deposits	18	5,834,050	18,889,980	14,372,460
Unclaimed dividend		10,883,905	10,670,220	10,480,524
		18,244,378	33,063,932	28,757,068
Non-Current Liabilities				
Long term security deposits	18	39,080	3,672,000	10,011,110
Total Liabilities		18,283,458	36,735,932	38,768,178
NET ASSETS		193,786,022	192,969,755	191,442,423
REPRESENTED BY:				
Certificate capital	19	216,875,000	216,875,000	216,875,000
Statutory reserves	20	45,394,252	44,810,698	44,010,129
Accumulated loss		(72,853,017)	(72,304,233)	(72,082,356)
		189,416,235	189,381,465	188,802,773
Unrealized gain on revaluation of investments - Available for sale	21	4,369,787	3,588,290	2,639,650
		193,786,022	192,969,755	191,442,423
CONTINGENCIES AND COMMITMENTS	22	-	-	-

The annexed notes from 1 to 38 form an integral part of these financial statements.

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

S/D

Chief Executive

S/D

Director

S/D

Director

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED JUNE 30 2021

	Note	2021 Rupees	2020 Rupees (Restated)
INCOME FROM OPERATION			
Income from ijarah rentals		4,002,135	7,702,090
Profit on musharaka investments		10,927,659	9,380,034
		14,929,794	17,082,124
OTHER INCOME			
Income from investment property		7,495,440	7,495,440
Profit on deposits		1,191,360	1,704,204
Dividend income		45,466	45,246
Unrealized gain on re-measurement of investments		128,159	-
Other income	23	269,414	866,850
		9,129,839	10,111,740
Reversal of suspension of ijarah income-net		198,950	175,615
TOTAL INCOME		24,258,583	27,369,479
EXPENSES			
Operating expenses	24	(16,507,705)	(16,448,112)
Depreciation on assets under ijarah	15	(3,281,133)	(6,410,553)
Unrealized loss on re-measurement of investments		-	(17,362)
Finance cost	25	(1,069,808)	-
		(20,858,646)	(22,876,027)
Profit before Tax		3,399,937	4,493,452
Taxation		-	-
		3,399,937	4,493,452
Modaraba Company's management fee	26	(339,994)	(444,760)
Provision for Worker's Welfare Fund		(142,173)	-
Net Profit for the Year		2,917,770	4,048,692
Earnings per Modaraba Certificate - Basic and Diluted	27	0.13	0.18

The annexed notes from 1 to 38 form an integral part of these financial statements.

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

S/D

Chief Executive

S/D

Director

S/D

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30 2021

	2021 Rupees	2020 Rupees (Restated)
Net Profit for the Year	2,917,770	4,048,692
<i>Other comprehensive income</i>		
<i>Items that will not be reclassified subsequently to profit and loss account</i>		
Unrealized gain on re-measurement of investments through OCI	781,497	948,640
<i>Items that may be reclassified subsequently to profit and loss account</i>		
Other comprehensive income for the year	781,497	948,640
Total Comprehensive Income for the Year	3,699,267	4,997,332

The annexed notes from 1 to 38 form an integral part of these financial statements.

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

S/D

Chief Executive

S/D

Director

S/D

Director

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CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30 2021

	Note	2021 Rupees	2020 Rupees (Restated)
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	28	20,367,730	10,649,327
<i>Increase in non-current assets:</i>			
- Long term musharaka		(10,220,829)	1,017,672
Purchase of fixed assets under ijarah arrangements		(646,498)	-
Proceeds from disposal of assets on terminating ijarah		945,732	174,179
Income taxes paid		(256,278)	225,784
Finance cost paid		(1,069,808)	-
Net Cash Generated from Operating Activities		9,120,049	12,066,962
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets under own use		-	(27,500)
Proceeds from disposal of fixed assets under own use		-	2,200
Profit received on bank deposits		1,368,435	1,704,204
Receipt of customers' security deposits		135,660	1,645,448
Net Cash Generated from Investing Activities		1,504,095	3,324,352
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid	28.1	(2,669,315)	(3,280,304)
Net Cash (Used in) / Generated from Financing Activities		(2,669,315)	(3,280,304)
Net Increase in Cash and Cash Equivalents		7,954,829	12,111,010
Cash and cash equivalents at the beginning of the year		44,158,744	32,047,734
Cash and Cash Equivalents at the End of the Year		52,113,573	44,158,744

The annexed notes from 1 to 38 form an integral part of these financial statements.

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

S/D

Chief Executive

S/D

Director

S/D

Director

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED JUNE 30 2021

Particulars	Certificate Capital	Reserves		Total Equity
		Statutory Reserve	Accumulated Loss	
Rupees				
Balance as at June 30, 2019 - as previously reported	216,875,000	44,010,129	(72,214,749)	188,670,380
Impact of restatement (Note 6)	-	-	132,393	132,393
Balance as at June 30, 2019 - as Restated	216,875,000	44,010,129	(72,082,356)	188,802,773
Comprehensive income for the year				
Net profit for the year	-	-	4,048,692	4,048,692
Other comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	-	4,048,692	4,048,692
Transferred to statutory reserve (Note 20)	-	800,569	(800,569)	-
Transactions with owners				
Profit distribution for the year ended June 30, 2019	-	-	(3,470,000)	(3,470,000)
Balance as at June 30, 2020 - as restated	216,875,000	44,810,698	(72,304,233)	189,381,465
Balance as at June 30, 2020 - as previously reported	216,875,000	44,810,698	(72,482,474)	189,203,224
Impact of restatement (Note 6)	-	-	178,241	178,241
Balance as at June 30, 2020 - as Restated	216,875,000	44,810,698	(72,304,233)	189,381,465
Comprehensive Income for the year				
Net profit for the year	-	-	2,917,770	2,917,770
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the year	-	-	2,917,770	2,917,770
Transferred to statutory reserve (Note 20)	-	583,554	(583,554)	-
Transactions with owners				
Profit distribution for the year ended June 30, 2020	-	-	(2,883,000)	(2,883,000)
Balance as at June 30, 2021	216,875,000	45,394,252	(72,853,017)	189,416,235

The annexed notes from 1 to 38 form an integral part of these financial statements.

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

S/D

Chief Executive

S/D

Director

S/D

Director

NOTES TO THE ACCOUNT FOR THE PERIOD ENDED JUNE 30 2021

Note 1

Legal Status and Nature of Business

First IBL Modaraba ("the Modaraba") is a multi purpose, perpetual and multi dimensional Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and rules framed thereunder, having its registered office at office No. 412, 4th Floor, Al Hafeez Business Center, 89/B-3, Gulberg 3, Lahore. The Modaraba is managed by IBL Modaraba Management (Private) Limited (Modaraba Management Company) incorporated in Pakistan under the repealed Companies Ordinance 1984, (now the Companies Act, 2017) and registered with the Registrar of Modaraba Companies and Modarabas.

The Modaraba is listed on Pakistan Stock Exchange Limited. It commenced its operations on October 19, 1989 and is currently engaged in various Islamic modes of financing and operations including ijarah, musharaka and murabaha arrangements.

Note 2

Basis of Preparation

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and Islamic Financial Accounting Standards (IFASs) as are notified under the provisions of the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas issued by the Securities and Exchange Commission of Pakistan (hereinafter referred to as the relevant laws).

Wherever the requirements of the approved accounting standards differ from the relevant laws, the relevant laws have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except short term investments. Short term investments are measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees which is Modaraba's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest rupee unless otherwise stated.

Note 3

Key Estimates and Judgments

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Modaraba's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected. Actual results may differ from these estimates.

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In the process of applying the Modaraba's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

3.1 Useful lives, pattern of flow of economic benefits and impairment

The Modaraba's management determines the useful lives and related depreciation charge, the residual values and impairment of its fixed assets and investment property on regular basis as disclosed in note 5.3, 5.4, 14, 15 & 16 to the financial statements. These are reviewed at the end of each reporting period and if there is a change in the expected pattern of consumption of the future economic benefits embodied in the assets and the residual values, the same is changed to reflect the changed pattern. Such change is accounted for as change in accounting estimate in accordance with International Accounting Standard (IAS) 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3.2 Provision against non performing financing

The Modaraba reviews its overdue receivables from ijarah and musharaka as disclosed in note 5.2, 9, 10 & 12 to the financial statements at each reporting date to assess whether subjective provision should be recorded in the profit and loss account, in addition to the mandatory provisions required in accordance with the Prudential Regulations issued by the Securities and Exchange Commission of Pakistan. In particular, judgment by management is required in the estimation 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 provision.

3.3 Impairment of other financial assets

Provision is recognized based on management judgment regarding the recoverability of balance as disclosed in note 5.10 & 8 to the financial statements. Balances considered bad and irrecoverable are written off when identified.

3.4 Provision for taxation

As disclosed in note 5.9 to the financial statements, no provision has been made in these financial statements for income taxes (both current and deferred) as the Modaraba expects to distribute at least 90% of its profits (after appropriation to mandatory reserves as required under the Modaraba Ordinance) to the certificate holders in current and future years.

For the above purposes, and also in respect of making an estimate for income tax currently payable by the Modaraba (if so required), the management considers the current income tax laws and the decisions of the appellate authorities on certain issues.

3.5 Valuation of short term investments

The Modaraba has recorded its short term investments by using quotations from Pakistan stock exchange as disclosed in note 8 to the financial statements. This valuation is subjective to market price fluctuation and therefore, cannot be determined with precision.

Note 4

Changes in Accounting Standards, Interpretations and Pronouncements

4.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

IFRS 9 'Financial Instruments' was applicable effective from July 01, 2018. The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on 'expected credit losses' (ECL) approach.

The SECP has deferred the applicability of IFRS-9 for Modarabas until June 30, 2022 via SRO 800(I) / 2021 dated June 22, 2021. Therefore, the Modaraba has continued same practice during the current year as well. The provision against financing has been determined in accordance with requirement of the Prudential Regulations.

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The following amendments to existing standards and interpretations have been published and are mandatory for the year ended July 01, 2020 and are considered to be relevant to the Modaraba's financial statements:

Standard or Interpretation	Effective Date (Period beginning on or after)
IAS 1 Presentation of Financial Statements [Amendments]	January 1, 2020
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2020
IFRS 16 Leases [Amendments]	June 1, 2020
Conceptual Framework in IFRS Standards [Amendments]	January 1, 2020
IFRS 7 Financial Instruments: Disclosures [Amendments]	January 1, 2020

4.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting and reporting standards as applicable in Pakistan and relevant to the Modaraba, would be effective from the dates mentioned

Standard or Interpretation	Effective Date (Period beginning on or after)
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IAS 1 Presentation of Financial Statements [Amendments- Classification of liabilities as current and non-current]	January 1, 2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2023
IAS 12 Income Taxes [Amendments]	January 1, 2023
IAS 16 Property, Plant and Equipment [Amendments]	January 1, 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets [Amendments]	January 1, 2022
IFRS 9 Financial Instruments	January 1, 2021
Annual improvements to IFRS Standards 2018-2020	January 1, 2022

The Modaraba is currently evaluating the potential impact on its financial statements.

Note 5

Summary of Significant Accounting Policies

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

5.1 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and balances with banks.

5.2 Musharaka investment

Musharaka investments are stated net of provision. Provision is recognized in accordance with prudential regulations for Modarabas issued by the SECP or on the estimate of management, whichever is higher. Bad debts are written off when identified.

5.3 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs. Subsequent to initial recognition the Modaraba values its investment property, which is held to earn rentals and / or for capital appreciation purposes, using the cost model i.e. at cost less any accumulated depreciation and any identified impairment loss.

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Depreciation on investment property is charged to income on straight-line method over its estimated useful life at the rates specified in note 14 to the financial statements. Depreciation on additions to investment property is charged from the month in which a property is available for use while no depreciation is charged for the month in which the property is disposed off.

Investment properties are derecognized either when they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Compensation from third parties for investment property that is impaired, lost or given up is recognized in profit or loss when the compensation becomes receivable.

5.4 Fixed assets

Assets given to customers under ijarah arrangements

Leased assets are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to income by applying the straight line method whereby the cost of an asset less salvage value is written off over the leased period, which is considered to be the estimated useful life of the asset. Depreciation on additions and disposals during the year is charged proportionately from the date of commencement of the lease to the date of its maturity / termination.

Assets in own use - Tangible

Operating fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to income by applying the straight-line method at the rates given in note 16.

Depreciation on additions to operating fixed assets is charged from the month in which the asset is acquired while no depreciation is charged for the month in which the asset is disposed off.

Maintenance and normal repairs are charged to income as and when incurred. Subsequent costs are included in assets' carrying amounts when it is probable that future economic benefits associated with the item will flow to the Modaraba and the cost of the item can be measured reliably. Gain/loss on disposal of assets is charged to the profit and loss account in the year of disposal.

An item of operating fixed assets and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of operating fixed assets is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in as other income in the statement of profit or loss.

5.5 Creditors and other liabilities

Creditors and other liabilities are measured at cost which is the fair value of the consideration to be paid in future for goods and services received whether billed to the Modaraba or not.

5.6 Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Future operating losses are not provided for.

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5.7 Contingent Liability

A contingent liability is disclosed when the Modaraba has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Modaraba; or the Modaraba has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.8 Revenue recognition

Revenue from ijarah and murabaha is recognized as per the requirements of the Islamic Financial Accounting Standards (IFASs). Repayment schedule is agreed at the start. Payments are usually due over the period of contract at different dates.

Ijarah rentals

Ijarah income is recognized in income on an accrual basis as and when the rental becomes due, unless another systematic basis is more representative of the time pattern in which the benefit of the use derived from the leased asset is diminished.

Musharaka profit

Profit on diminishing musharaka financings is recognized on accrual basis. Additional profit, if any, is recognized on declaration by the investee company in accordance with terms of issue.

Rental income

Rental income from investment properties is recognized on accrual basis.

Dividend income

Dividend income is recognized in profit or loss as other income when:

- the Modaraba's right to receive payment have been established;
- is probable that the economic benefits associated with the dividend will flow to the Modaraba; and
- the amount of the dividend can be measured reliably.

Return on deposit accounts

Return on deposits with bank is recognized on accrual basis.

5.9 Taxation

Current

Under the current tax law, the income of a non-trading Modaraba is exempt from income tax provided that the Modaraba distributes ninety percent (90%) of its profits for the year, as cash dividend to the certificate holders, after appropriating statutory reserves. Where such profit is not distributed, provision for tax is made on taxable income at the current tax rates applicable to the Modaraba after taking into account available tax exemptions and tax credits, if any.

Deferred

Deferred taxation is accounted for using the balance sheet liability method providing for temporary differences

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between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary timing differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated based on the rates that have been enacted or notified for subsequent enactment up to the reporting date and are expected to apply to the period when the difference arises.

Deferred taxation has not been recognized in these financial statements as the management believes that the future income of Modaraba will not be taxable in the foreseeable future due to the fact that the Modaraba intends to continue availing the tax exemption through profit distribution to the extent of 90 percent of distributable profit. The Modaraba has net deferred tax asset position which has not been recognized in these financial statements as the temporary differences are not expected to reverse in foreseeable future because taxable profits may not be available against which the temporary differences can be utilized.

5.10 Financial instruments

5.10.1 Financial assets

Financial assets are classified into financial assets at fair value through profit or loss; loans and receivable; held-to-maturity investments and / or available-for-sale financial assets. When financial assets are recognized initially, they are measured at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Modaraba determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

5.10.1.1 Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'Financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognized in the profit and loss account.

5.10.1.2 Held-to-maturity

Non-derivatives financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Modaraba has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Other long-term investments, that are intended to be held-to-maturity, are subsequently measured at amortized cost.

This cost is computed as the amount initially recognized minus principal repayments, plus or minus the cumulative amortization, using the effective markup rate method, of a difference between the initially recognized amount and the maturity amount. This calculation includes all fees and charges paid or received between parties to the contract that are an integral part of the effective markup rate, transaction cost and all other premiums and discounts. For investments carried at amortized cost, gains and losses are recognized in the profit and loss account and then the investments are derecognized or impaired, as well as, through the amortization process.

5.10.1.3 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise loans, deposits and other receivables in the balance sheet.

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5.10.1.4 Available-for-sale

Available-for-sale financial assets are those non derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial recognition available-for-sale financial assets are measured at fair value with gains and losses being recognized as a separate component of equity until the investments are derecognized or determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

Fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid price at the close of business on the reporting date. For investments where there is no active market, value is determined using valuation techniques.

5.10.2 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities are secured deposits against ijarah (lease) assets, musharaka payable and other liabilities.

5.10.3 Recognition and derecognition of financial instruments

All financial assets and liabilities are recognized at the time when the Modaraba becomes a party to the contractual provisions of the instrument and are derecognized: in the case of asset, when the contractual rights under the instrument are derecognized, expired or surrendered; and in case of liability, when the obligation is discharged, cancelled or expired.

Any gain / (loss) on the recognition and derecognition of financial assets and liabilities is included in the profit / (loss) for the period in which it arises.

Assets and liabilities that are not of contractual nature and that are created as a result of statutory requirements are not financial instruments of the Modaraba.

5.10.4 Offsetting of financial assets and liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Modaraba has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.11 Dividend - Profit distribution and other appropriations of profit

Dividend distribution to the Modaraba's certificate holders is recognized as a liability in the financial statements in the period in which the dividends are approved by the Modaraba Management Company. 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.

Appropriations to statutory reserves declared / approved subsequent to balance sheet date are considered as non-adjusting event and are not recorded in financial statements of the current year. These are recognized in the year in which these are declared / approved.

Profit distribution to certificate holders is recognized as a liability in the period in which such distributions are approved by the Board of Directors of the Management Company.

5.12 Earnings per certificate

The Modaraba presents basic and diluted earnings per certificate (EPC). Basis EPC is calculated by dividing the profit or loss attributable to ordinary certificate holders of the Modaraba by the weighted average number of ordinary certificates outstanding during the year. Diluted EPC is determined by adjusting the profit or loss attributable to ordinary certificate holders and the weighted average number of ordinary certificates outstanding for the effects of all dilutive potential ordinary certificates, if any.

5.13 Related party transactions

Transactions involving related parties arising in the normal course of business are conducted at arm's length on the same terms and conditions as are applicable to third party transactions or otherwise as approved by the Board of Directors.

5.14 Impairment of non- financial assets

At each reporting date, the Modaraba reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment loss is recognized in the profit and loss account.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the initial cost of the asset. A reversal of the impairment loss is recognized as loss in the profit and loss account.

5.15 Fair value measurement

The Modaraba measures certain financial instruments, and non-financial assets such as investment properties, at fair value at each reporting date.

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 in the principal, or in its absence, the most advantageous market to which the Modaraba has access at that date. The fair value of a liability reflects the effect of non-performance risk. When applicable, the Modaraba measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When measuring fair value, the Modaraba takes into account the characteristics of asset or liability which include the condition and location of the asset and restrictions, if any, on the sale or use of the asset.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Modaraba uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Valuation techniques used to measure fair value are applied consistently unless a change in a valuation technique or its application results in a measurement that is equally or more representative of fair value in the circumstances. Revisions resulting from a change in the valuation technique or its application are accounted for as a change in accounting estimate.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within different levels of the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

Fair value hierarchy categorizes into following three levels the inputs to valuation techniques used to measure fair value:

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- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Modaraba can access at the measurement date.
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 — Unobservable inputs for the asset or liability.

For the purpose of fair value disclosures, the Modaraba has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

5.16 Operating segments

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Executive Officer of the Modaraba has been identified as Chief Operating Decision Maker.

The Modaraba is divided into three operating segments:

- Ijarah finances;
- musharaka finances; and
- Investments;

All these operating segments are located in Pakistan.

5.16.1 Segment assets and liabilities

The assets of a segment include all operating assets used by a segment and consist principally of receivables and fixed assets, net of allowances and provisions. Segment liabilities are primarily unallocable.

5.16.2 Allocation of segment expenses

All identifiable expenses are directly attributed to the respective segments.

Note 6

Restatement of Financial Statements

During the year, the Modaraba has restated its financial statements by reclassifying its unrealized gain on investments held at available for sale out of equity to comply with definition of equity as prescribed in Modaraba Regulations, 2021.

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In addition to above, the Modaraba has also corrected its financial statements related to short term investments and related gain / (loss) on these investments. Previously, the Modaraba did not account for full number of shares available in the Modaraba's CDC account. Further, the Modaraba had also not recognized related dividends from these investments. The Modaraba is now accounting for its investments at correct value with retrospective effect. The impact of these restatements on these financial statements is as follows:

Impact on balance sheet

	<u>2020</u>	<u>2019</u>
	Rupees	Rupees
<i>Short term investments</i>		
Previously stated	3,355,166	2,548,212
Impact of restatement	<u>472,457</u>	<u>348,133</u>
	<u><u>3,827,623</u></u>	<u><u>2,896,345</u></u>
<i>Advances, prepayments and other receivables</i>		
Previously stated	6,924,691	11,842,937
Impact of restatement	<u>173,775</u>	<u>128,529</u>
	<u><u>7,098,466</u></u>	<u><u>11,971,466</u></u>

Unrealized gain on revaluation of investments - available for sale

Previously stated	-	-
Impact of restatement	<u>3,588,290</u>	<u>2,639,650</u>
	<u><u>3,588,290</u></u>	<u><u>2,639,650</u></u>

Impact on statement of changes in equity

Unrealized gain on revaluation of investments

Previously stated	3,588,290	2,639,650
Impact of restatement	<u>(3,588,290)</u>	<u>(2,639,650)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

Accumulated Loss - Revenue Reserve

Previously stated	(72,482,474)	(72,214,749)
Impact of restatement	<u>178,241</u>	<u>132,393</u>
	<u><u>(72,304,233)</u></u>	<u><u>(72,082,356)</u></u>

Impact on profit and loss account

Unrealized loss on re-measurement of investments - at fair value through profit and loss

Previously stated	(357,842)
Impact of restatement	<u>3,864</u>
	<u><u>(353,978)</u></u>

Dividend income

Previously stated	-
Impact of restatement	<u>128,529</u>
	<u><u>128,529</u></u>

Impact on statement of comprehensive income

Unrealized loss on re-measurement of investments - at fair value through profit and loss

Previously stated	(3,021,826)
Impact of restatement	<u>344,269</u>
	<u><u>(2,677,557)</u></u>

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Note 7

Cash and Bank Balances

	Note	2021 Rupees	2020 Rupees
Cash in hand		3,840	-
Cash at bank:			
- Saving accounts	7.1	51,488,402	43,782,105
- Current accounts	7.2	621,331	376,639
		52,109,733	44,158,744
		52,113,573	44,158,744

7.1 Cash at bank on savings account carries profit at the rates ranging from 3.56% to 6.2% (2020: 5.6% to 6.35%) per annum.

7.2 This includes Rs. 404,457 (2020: Rs. 189,365) held in dividend account. Movement in dividend account is as follows:

Opening balance	189,365	-
Amount transferred during the year	2,115,212	2,620,585
Dividend claim received and settled	(1,900,120)	(2,430,640)
Bank charges	-	(580)
Closing balance	404,457	189,365

7.3 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows at the end of the financial year.

Note 8

Short Term Investments

	Note	2021 Rupees	2020 Rupees (Restated)
Investments in listed equity securities:			
- Available for sale	8.1	4,369,829	3,588,332
- At fair value through profit or loss	8.2	367,450	239,291
		4,737,279	3,827,623

8.1 Available for sale

2021	2020	Name of entity
No. of shares / certificates		

Holdings are in ordinary shares of Rupees 10 each.

18,011	18,011	The Searle Company Limited	4,369,829	3,588,332
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8.2 At fair value through profit or loss

Holdings are in ordinary shares of Rupees 10 each.

219	219	IBL Health Care	24,337	16,961
250	250	Attock Refinery Limited	64,113	22,330
100,000	100,000	First Punjab Modaraba	279,000	200,000
100,469	100,469		367,450	239,291

8.3 These are valued on the basis of market price per share available on Pakistan Stock Exchange as on the reporting date.

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Note 9

Ijarah Rentals Receivable

	Note	2021 Rupees	2020 Rupees
Considered good		126,560	1,236,779
Considered doubtful	9.2	9,501,620	9,700,570
		9,628,180	10,937,349
Provision against doubtful ijarah rentals		(9,501,620)	(9,700,570)
		126,560	1,236,779

9.1 Ijarah rentals receivables are secured against ijarah assets, promissory notes and personal guarantees of musta'jir. The Modaraba is entitled to repossess and sell the asset in case of default by the customer.

9.2 Movement in provision against doubtful ijarah rentals is as follows:

Opening balance		9,700,570	9,876,185
Charged during the year		727,420	435,145
Reversed during the year		(926,370)	(610,760)
		(198,950)	(175,615)
Closing balance		9,501,620	9,700,570

Note 10

Short Term Musharaka Receivables

	Note	2021 Rupees	2020 Rupees
Short term musharaka receivables	10.1	600,000	8,000,000

10.1 This represents musharaka finance provided to customers for business activities for a maximum period of one year. The effective rate of profit on this finance is 15% (2020: 15%) per annum. This finance is secured by way of charge over goods, book debts and equitable mortgage of property.

Note 11

Advances, Prepayments and Other Receivables

	Note	2021 Rupees	2020 Rupees (Restated)
Advance to employees (Unsecured - considered good)		656,711	571,309
Prepayments		227,171	211,260
Accrued profit on musharaka receivable (secured)			
- Profit receivable		3,123,989	4,054,532
- Less: Profit held in suspense account	11.2	(1,969,089)	(1,969,089)
		1,154,900	2,085,443
Profit receivable on saving accounts		369,339	546,414
Dividend receivable		219,241	173,775
Other receivables (unsecured)		2,291,265	3,510,265
		4,918,627	7,098,466

Note 12

Long Term Musharaka Receivables

	Note	2021 Rupees	2020 Rupees
Considered good		77,444,948	69,867,252
Considered doubtful		8,737,104	6,093,971
	12.1	86,182,052	75,961,223
Provision against classified portfolio	12.2	(6,093,971)	(6,093,971)
Less: Current portion		(53,241,647)	(27,239,348)
		26,846,434	42,627,904

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12.1 This represents musharaka finance provided to customers for business activities for a maximum period of five years. The effective rate of profit on these finances ranges from 10.5% to 15% (2020: 11% to 15%) per annum and secured by way of hypothecation of goods, book debts and equitable mortgage of property.

12.2 This represents provision made against overdue principal amount of musharaka finance on time based criteria as required by the prudential regulations "Prudential Regulations 2021" applicable to the Modaraba. Accrued profit of Rs.1,969,089 (2020: Rs. 1,969,089) is held in suspense account (Refer to note 11). Movement in provision against classified portfolio is as follows:

	2021	2020
	Rupees	Rupees
Opening balance	6,093,971	6,093,971
Recognized during the year	-	-
Reversed during the year	-	-
Closing balance	<u>6,093,971</u>	<u>6,093,971</u>

Note 13

Long Term Advances and Deposits

	2021	2020
	Rupees	Rupees
Advances	1,500,000	1,500,000
Deposits	1,119,260	1,119,260
	<u>2,619,260</u>	<u>2,619,260</u>

Note 14

Investment Property

	Note	2021	2020
		Rupees	Rupees
Cost			
Opening balance	14.1	100,000,465	100,000,465
Additions / (Deletions)		-	-
Closing balance		100,000,465	100,000,465
Accumulated Depreciation			
Opening balance		(37,916,859)	(32,916,831)
Charged during the year	13.2 & 26	(5,000,028)	(5,000,028)
Closing balance		<u>(42,916,887)</u>	<u>(37,916,859)</u>
		<u>57,083,578</u>	<u>62,083,606</u>

14.1 Investment property represents 5th floor of the Library Building situated at C-II, Johar Town, Lahore. This floor measures 13,370 square feet.

14.2 The Modaraba carries this investment property under cost model. The Modaraba estimates that the fair value of investment property is similar to the net book value as at the reporting date.

14.3 Amounts recognized in profit or loss

The rental income in respect of this property amounting to Rs. 7,495,440 has been recognized in profit or loss and included in 'other income'.

The Modaraba depreciates investment property on straight line basis @ 5% per annum. The depreciation on investment property is charged to operating expenses.

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Note 15

Fixed Assets under Ijarah Arrangements

Description	Plant and Machinery	Vehicles	Office Equipment and Computers	Total
	Rupees	Rupees	Rupees	Rupees
Year Ended June 30, 2021				
Cost				
Balance as at July 01, 2020	23,097,253	57,732,533	603,825	81,433,611
Additions	208,298	84,500	353,700	646,498
Disposals / Adjustments	(19,636,150)	(38,613,330)	-	(58,249,480)
Balance as at June 30, 2021	3,669,401	19,203,703	957,525	23,830,629
Depreciation rates				
	50%	25%-100%	40%-100%	
Accumulated depreciation				
Balance as at July 01, 2020	18,409,605	35,520,395	534,444	54,464,444
Charge for the year	11,924	3,183,247	85,962	3,281,133
Disposals / Adjustments	(15,630,728)	(24,919,073)	-	(40,549,801)
Balance as at June 30, 2021	2,790,801	13,784,569	620,406	17,195,776
Total as at June 30, 2021	878,600	5,419,134	337,119	6,634,853
Year Ended June 30, 2020				
Cost				
Balance as at July 01, 2019	23,097,253	63,422,533	603,825	87,123,611
Additions	-	-	-	-
Disposals / Adjustments	-	(5,690,000)	-	(5,690,000)
Balance as at June 30, 2020	23,097,253	57,732,533	603,825	81,433,611
Depreciation rates				
	50%	25%-100%	40%-100%	
Accumulated depreciation				
Balance as at July 01, 2019	18,348,731	31,393,677	534,444	50,276,852
Charge for the year	60,874	6,349,679	-	6,410,553
Disposals / Adjustments	-	(2,222,961)	-	(2,222,961)
Balance as at June 30, 2020	18,409,605	35,520,395	534,444	54,464,444
Total as at June 30, 2020	4,687,648	22,212,138	69,381	26,969,167

15.1 General description of significant ijarah arrangements (IFAS-2)

This represents Ijarah arrangements made by the Modaraba at profit rates ranging from 10% to 25% (2020: 10% to 17%) per annum. These arrangements are secured against assets under ijarah, personal / corporate guarantees, demand promissory notes executed by Musta'jir and other collaterals.

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15.2 Aggregate amount of future ijarah rentals receivable on the basis of ijarah arrangements executed upto the reporting date are as follows:

	2021	2020
	Rupees	Rupees
Not later than one year	750,690	7,790,032
Later than one year but not later than five years	135,570	5,171,531
	<u>886,260</u>	<u>12,961,563</u>

15.3 Adjustments / Disposals of fixed assets under ijarah arrangements

Description	Cost	Accumulated Depreciation	Book Value	Adjustment / Sale Proceeds	Gain / (Loss)	Mode of Disposal	Particulars of Buyer
-----Rupees-----							
<u>Vehicles:</u>							
Motor Vehicle	1,810,500	1,448,405	362,095	362,095	-	Term of ijarah agreement	Mr. Muhammad Amin
Motor Vehicle	1,693,000	1,354,405	338,595	338,595	-	Term of ijarah agreement	Mr. Muhammad Amin
Motor Vehicle	1,810,500	1,448,400	362,100	362,100	-	Term of ijarah agreement	Mr. Sajid Nazir
Motor Vehicle	2,800,000	2,240,000	560,000	560,000	-	Term of ijarah agreement	M/s Future Vision Advertising
Motor Vehicle	2,447,500	1,076,900	1,370,600	1,370,600	-	Term of ijarah agreement	Mr. Zahid Warraich
Motor Vehicle	1,034,000	558,360	475,640	475,640	-	Term of ijarah agreement	Mr. Arshad Ali Khan
Motor Vehicle	1,784,000	1,338,000	446,000	446,000	-	Term of ijarah agreement	Mr. Anwar Arqam
Motor Vehicle	103,400	77,550	25,850	25,850	-	Term of ijarah agreement	Mr. Ahmed Raza Khan
Motor Vehicle	42,930	30,050	12,880	12,880	-	Term of ijarah agreement	Mr. Muhammad Ehsan
Motor Vehicle	1,662,000	831,000	831,000	831,000	-	Term of ijarah agreement	Mr. Imran Zahid
Motor Vehicle	63,500	50,808	12,692	12,692	-	Term of ijarah agreement	Mr. Ghulam Mustafa
Motor Vehicle	959,000	767,200	191,800	191,800	-	Term of ijarah agreement	Mr. Musaddaq Mehmood
Motor Vehicle	1,804,000	1,443,201	360,799	360,799	-	Term of ijarah agreement	Mr. Rashid Malik
Motor Vehicle	1,975,000	1,580,002	394,998	394,998	-	Term of ijarah agreement	M/s Quality Eggs
Motor Vehicle	1,819,000	582,089	1,236,911	1,236,911	-	Term of ijarah agreement	Mr Muhammad Azam
Motor Vehicle	63,500	53,964	9,536	9,536	-	Term of ijarah agreement	Mr. Irshad Ali
Motor Vehicle	1,880,500	940,248	940,252	940,252	-	Term of ijarah agreement	Mr. Abdul Hayye Khan
Motor Vehicle	2,300,000	1,609,992	690,008	690,008	-	Term of ijarah agreement	M/s Shah Trading Company
Motor Vehicle	1,500,000	1,095,000	405,000	405,000	-	Term of ijarah agreement	Mr. Obaid Ur Rehman
Motor Vehicle	732,000	439,200	292,800	292,800	-	Term of ijarah agreement	Mr. Muhammad Azam
Motor Vehicle	5,079,000	3,555,274	1,523,726	1,523,726	-	Term of ijarah agreement	M/s Euroko International
Motor Vehicle	1,450,000	761,261	688,739	657,737	(31,002)	Term of ijarah agreement	Mr. Zahid Warraich
Motor Vehicle	1,450,000	874,014	575,986	583,204	7,218	Term of ijarah agreement	Mr. Malik M. Saleem
Motor Vehicle	2,350,000	763,750	1,586,250	1,680,593	94,343	Term of ijarah agreement	Mr. Ahmed Rashid
<u>Plant and Machinery</u>							
Machinery	2,000,000	1,600,000	400,000	400,000	-	Term of ijarah agreement	M/s Mcolson Lab
Power Generator	1,309,150	916,424	392,726	392,726	-	Term of ijarah agreement	Mr. Khurram Naveed
Split AC	50,000	45,000	5,000	5,000	-	Term of ijarah agreement	Mr. Imran Zahid
Diesel Generator	3,500,000	2,500,000	1,000,000	1,000,000	-	Term of ijarah agreement	M/s Sahibzada Printers

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Fridge	55,400	49,860	5,540	5,540	-	Term of ijarah agreement	Mr. Muhammad Ilyas
Water plant	700,000	500,004	199,996	200,000	4	Term of ijarah agreement	M/s Maitre International
LCD	21,600	19,440	2,160	2,160	-	Term of ijarah agreement	Mr. Imran Zahid
Diesel Generator	12,000,000	10,000,000	2,000,000	2,000,000	-	Term of ijarah agreement	M/s Sahibzada Printers
Total 2021	58,249,480	40,549,801	17,699,679	17,770,242	70,563		
Total 2020	5,690,000	2,222,961	3,467,039	3,641,218	174,179		

Note 16

Fixed Assets under Own Use

Description						2021	2020
						Rupees	Rupees
Description	Machinery	Furniture and Fittings	Vehicles	Office Equipment	Computers and Accessories	Total	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Year Ended June 30, 2021							
Cost							
Balance as at July 01, 2020	1,987,400	607,010	4,057,080	1,437,017	2,640,628	10,729,135	
Additions / Disposals	-	-	-	-	-	-	
Balance as at June 30, 2021	1,987,400	607,010	4,057,080	1,437,017	2,640,628	10,729,135	
Accumulated depreciation							
Balance as at July 01, 2020	1,987,400	229,716	2,123,422	1,361,872	2,618,929	8,321,339	
Charge for the year	-	121,404	790,416	28,428	13,151	953,399	
Balance as at June 30, 2021	1,987,400	351,120	2,913,838	1,390,300	2,632,080	9,274,738	
Total as at June 30, 2021	-	255,890	1,143,242	46,717	8,548	1,454,397	
Year Ended June 30, 2020							
Cost							
Balance as at July 01, 2019	1,987,400	607,010	4,057,080	1,429,517	2,640,628	10,721,635	
Additions	-	-	-	27,500	-	27,500	
Disposals	-	-	-	(20,000)	-	(20,000)	
Balance as at June 30, 2020	1,987,400	607,010	4,057,080	1,437,017	2,640,628	10,729,135	

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Accumulated depreciation

Balance as at July 01, 2019	1,987,400	108,312	1,333,007	1,348,480	2,595,637	7,372,836
Charge for the year	-	121,404	790,415	33,392	23,292	968,503
Disposals	-	-	-	(20,000)	-	(20,000)
Balance as at June 30, 2020	1,987,400	229,716	2,123,422	1,361,872	2,618,929	8,321,339
Total as at June 30, 2020	-	377,294	1,933,658	75,145	21,699	2,407,796
Depreciation rates	20%	20%	20%	20%	33.33%	

16.1 These contain fully depreciated assets of Rs. 6,059,895 (2020: Rs. 5,855,705) that are still in use by the Modaraba.

16.2 The depreciation charge of fixed assets under own use is allocated to operating expenses (Refer note 24).

Note 17

Creditors, Accrued and Other Liabilities

	2021	2020
	Rupees	Rupees
Accrued expenses	290,000	440,000
Payable to the Modaraba Management Company	339,994	444,760
Worker's Welfare Fund payable	142,173	-
Other liabilities	54,256	488,780
	<u>826,423</u>	<u>1,373,540</u>

Note 18

Long Term Security Deposits

	Note	2021	2020
		Rupees	Rupees
Opening balance		22,561,980	24,383,570
Received during the year	18.1	135,660	-
Adjusted during the year		(16,824,510)	(1,821,590)
Closing balance		5,873,130	22,561,980
Current portion shown as current liabilities		(5,834,050)	(18,889,980)
		<u>39,080</u>	<u>3,672,000</u>

18.1 This represents security deposits received against ijarah assets and there is no restriction on utilization of these balances as per the written agreements.

Note 19

Certificate Capital

2021	2020	2021	2020
Number of certificates		Rupees	Rupees

Authorized

<u>50,000,000</u>	<u>50,000,000</u>	Modaraba Certificates of Rs. 10 each	<u>500,000,000</u>	<u>500,000,000</u>
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Issued, subscribed and paid-up

2021	2020	2021	2020
Number of certificates		Rupees	Rupees
20,000,000	20,000,000	200,000,000	200,000,000
		Modaraba Certificates of Rs. 10 each issued as fully paid in cash	

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1,687,500	1,687,500	Modaraba Certificates of Rs. 10 each issued as fully paid bonus certificates	16,875,000	16,875,000
<u>21,687,500</u>	<u>21,687,500</u>		<u>216,875,000</u>	<u>216,875,000</u>

19.1 Reconciliation of the number of certificates outstanding as at the beginning and at the end of the year is as under:

	<u>2021</u>	<u>2020</u>
	Number of certificates	
Opening balance of certificates	21,687,500	21,687,500
Certificates issued during the year	-	-
Closing balance of certificates	<u>21,687,500</u>	<u>21,687,500</u>

19.2 There are no agreements and restrictions for voting rights, board selection, rights of first refusal and block voting.

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

			<u>2021</u>	<u>2020</u>
			Rupees	Rupees
2,170,905	2,030,905	IBL Modaraba Management (Pvt.) Limited	21,709,050	20,309,050
3,070,000	3,070,000	University of Management and Technology	30,700,000	30,700,000
1,424,070	3,015,820	Director	14,240,700	30,158,200
<u>6,664,975</u>	<u>8,116,725</u>		<u>66,649,750</u>	<u>81,167,250</u>

Note 20

Statutory Reserves

Statutory reserve represents profits set aside in compliance with the requirements of prudential regulations for Modarabas issued by the SECP. These regulations require the Modaraba to transfer at least 20% after tax profit, if any, up to a maximum of 50%, in the statutory reserves until the reserve equals 100% of the paid up capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred into the statutory reserve each year. During the year, an amount of Rs. 599,749 (2020: Rs. 800,569) has been transferred from profit for the year to statutory reserve with the approval of the Board of Directors of the Management Company.

Note 21

Unrealized gain on revaluation of investments - Available for sale

	Note	<u>2021</u>	<u>2020</u>
		Rupees	Rupees (Restated)
- Available for sale investment	21.1	<u>4,369,787</u>	<u>3,588,290</u>
21.1 This represents deficit on revaluation of investments classified as available for sale. This cannot be distributed to the certificate holders. Reconciliation of the carrying amount is as follows:			
21.1.1 Opening balance		3,588,290	2,639,650
Surplus on revaluation during the year		781,497	948,640
Closing balance		<u>4,369,787</u>	<u>3,588,290</u>

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Note 22

Contingencies and Commitments

22.1 Contingencies

- 22.1.1** Subsequent to the reporting date, on July 29, 2021 the Assistant Commissioner Inland Revenue passed an order u/s 161 (1A) of Income Tax Ordinance, 2001 creating the demand of Rs. 1.168 million for the tax year 2018. The Modaraba, being aggrieved has filed appeal before Commissioner Inland Revenue. The management of the Modaraba expects favorable outcome in this case.
- 22.1.2** Subsequent to the reporting date, on July 09, 2021 the Assistant Commissioner Inland Revenue passed an order u/s 161 (1A), 205 & 182 of Income Tax Ordinance, 2001 creating the demand of Rs. 2.488 million for the tax year 2019. The Modaraba has submitted reply regarding information required. No further correspondence from the Federal Board of Revenue has yet been received and management expects favorable outcome in this case.

22.2 Commitments

There were no material commitments outstanding as at the reporting date (2020: Nil).

Note 23 Other Income

	Note	2021 Rupees	2020 Rupees
Documentation charges		8,620	34,480
Gain on termination of ijara arrangements	15.3	70,563	174,179
Gain on disposal of fixed assets under own use		-	2,200
Miscellaneous		190,231	655,991
		<u>269,414</u>	<u>866,850</u>

Note 24 Operating Expenses

	Note	2021 Rupees	2020 Rupees
Salaries, allowances and other benefits	24.1	6,256,677	5,661,460
Communication expenses		233,123	303,124
Travelling and conveyance		480,642	841,877
Postage and stamps		113,598	97,384
Advertisement		23,200	23,200
Legal and professional charges		767,496	863,996
Locker rent		6,960	6,960
Fees and subscription		1,092,868	1,007,201
Repairs and maintenance		233,945	372,767
Utilities		332,657	333,879
Insurance		166,773	209,135
Printing and stationery		102,081	60,007
Depreciation:			
- Investment property	14	5,000,028	5,000,028
- Owned - tangible	16	953,399	968,504
Entertainment		118,856	102,227
Auditors' remuneration	24.5	488,175	488,175
Bank charges		23,446	3,250
Office supplies		113,781	104,938
		<u>16,507,705</u>	<u>16,448,112</u>

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24.1 This includes Rs. 177,716 (2020: Rs. 154,254) in respect of contribution to the staff provident fund. This comprises salaries and allowances of executives as per the following details:

	2021			2020		
	Officers / Executives	Others	Total	Officers / Executives	Others	Total
	-----Rupees-----					
Basic salary	1,559,935	1,460,995	3,020,930	1,597,320	1,585,715	3,183,035
House rent allowance	701,969	657,449	1,359,418	718,800	713,584	1,432,384
Medical allowance	155,994	146,105	302,099	159,732	158,577	318,309
Other benefits	323,161	75,630	398,791	440,305	117,639	557,944
Bonus	393,293	604,430	997,723	-	-	-
Employer's contribution to provident fund	134,884	42,832	177,716	128,772	41,016	169,788
	<u>3,269,236</u>	<u>2,987,441</u>	<u>6,256,677</u>	<u>3,044,929</u>	<u>2,616,531</u>	<u>5,661,460</u>
Number of persons	<u>2</u>	<u>12</u>	<u>14</u>	<u>2</u>	<u>12</u>	<u>14</u>

24.2 Officers comprise of Chief Financial Officer (CFO), Company Secretary, Head of internal audit and Manager Compliance.

24.3 Officers are also provided with Modaraba owned and maintained vehicles.

24.4 No remuneration has been paid to the Chief Executive Officer (CEO) and directors of the Modaraba. The same has been paid by the Modaraba management company.

24.5 Auditors' remuneration

Audit fee	290,000	290,000
Review of half yearly financial statements and other certifications	150,000	150,000
Out of pocket expenses	48,175	48,175
	<u>488,175</u>	<u>488,175</u>

Note 25

Finance Cost

	2021	2020
	Rupees	Rupees
Finance cost	<u>1,069,808</u>	<u>-</u>

25.1 The represents the charges paid by the Modaraba to UDL Modaraba on account of settlement of musharaka profit payable.

Note 26

Modaraba Company's Management Fee

In accordance with Section 18 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, management fee @ 10% of annual profits is paid to the Modaraba Management Company.

Note 27

Earnings per Modaraba Certificate - Basic and Diluted

	2021	2020
		(Restated)
The calculation of the basic earnings per Modaraba certificate is based on the following data:		
Net profit for the year (Rupees)	<u>2,917,770</u>	<u>4,002,844</u>
Weighted average number of Modaraba certificates outstanding (Numbers)	<u>21,687,500</u>	<u>21,687,500</u>
Earnings per certificate - basic (Rupees)	<u>0.13</u>	<u>0.18</u>

27.1 Basic earnings per Modaraba certificate have been computed by dividing profit for the year as stated above with weighted average number of Modaraba certificates.

27.2 There is no dilutive effect on the basic earnings per Modaraba certificate.

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Note 28

Operating profit before working capital changes

	2021 Rupees	2020 Rupees (Restated)
Net profit for the Year	2,917,770	4,048,692
Adjustment for:		
- Depreciation on fixed assets under own use	953,399	968,504
- Depreciation on investment property	5,000,028	5,000,028
- Depreciation on fixed assets under ijarah arrangements	3,281,133	6,410,553
- Suspension made against ijarah rentals	727,420	435,145
- Reversal of suspension on ijarah rentals	(926,370)	(610,760)
- Gain on disposal of fixed assets under own use	-	(2,200)
- Dividend income	(45,466)	-
- Provision for Worker's Welfare Fund	142,173	-
- Revaluation (gain) / loss on investment at fair value through profit or loss	(128,159)	17,362
- Gain on termination of ijarah arrangements	(70,563)	(174,179)
- Profit on deposits	(1,191,360)	(1,704,204)
- Finance cost	1,069,808	-
	<u>8,812,043</u>	<u>10,340,249</u>
Operating profit before working capital changes	<u>11,729,813</u>	<u>14,388,941</u>
Decrease in current assets:		
- Advances, prepayments and other receivables	2,048,230	4,421,432
- Ijarah rentals receivable	1,309,169	239,306
- Short term musharaka receivables	7,400,000	(8,000,000)
Decrease in current liabilities:		
- Musharaka profit payable	(1,430,192)	-
- Creditors, accrued and other liabilities	(689,290)	(400,352)
	<u>8,637,917</u>	<u>(3,739,614)</u>
Cash generated from operations	<u>20,367,730</u>	<u>10,649,327</u>

28.1 Changes in Financing Activities

As at June 30, 2020	Non-cash changes	Cash flows (Net)	As at June 30, 2021
----- Rupees -----			
10,670,220	2,883,000	(2,669,315)	10,883,905
----- Rupees -----			
10,480,524	3,470,000	(3,280,304)	10,670,220

Note 29

Balances and Transactions with Related Parties

29.1 A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Related parties of the Modaraba include the Modaraba Management Company, directors and key management personnel of the Modaraba Management Company, key management personnel of the Modaraba and their close family members, the provident fund trust and entities with common directors or under common management and control.

Contribution to the provident fund is made in accordance with the services rules. Modaraba Management fee, if any, is accrued in accordance with the requirements of the Modaraba Regulations. Remuneration of key management personnel are in accordance with the terms of their employment. Other transactions are carried out at agreed terms.

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29.2 Details of transactions with related parties and balances outstanding with them as at the reporting date are as follows:

Transactions during the year

Related party	Relationship	Basis of Relationship	Nature of Transaction	2021	2020
				Rupees	Rupees
IBL Modaraba Management (Private) Limited	Associated undertaking	Management Company	Management fee accrued	339,994	444,760
			Dividend paid to Management Company	288,586	324,945
			Management fee paid	444,760	223,131
University of Management and Technology (UMT)	Associated undertaking	Common Management	Rent of library building accrued	7,495,440	7,495,440
			Rent received	7,495,440	7,495,440
			Dividend paid to UMT	408,107	491,200
Provident Fund	Associated undertaking	Employee Fund	Provident fund paid during the year	177,716	169,788

Outstanding Balance at the year end

Payable to the Modaraba Management Company	339,994	444,760
--	---------	---------

29.3 The Modaraba Management Company has also provided free of cost office space to the Modaraba.

Note 30

Provision for Doubtful Receivables

	Note	2021 Rupees	2020 Rupees
Opening balance		15,794,541	15,970,156
Add: Charged during the year		727,420	435,145
Less: Reversed during the year		(926,370)	(610,760)
Net provision reversed during the year	30.1	(198,950)	(175,615)
Closing balance		15,595,591	15,794,541

30.1 This represents reversal of provision against doubtful ijarah receivable based on subjective evaluation of non-performing ijarah rentals receivable.

30.2 Break up of closing balance

Provision for doubtful ijarah rental receivables	9,501,620	9,700,570
Provision for doubtful musharaka	6,093,971	6,093,971
	15,595,591	15,794,541

Note 31

Financial Risk Management

The Modaraba's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and profit rate risk), credit risk and liquidity risk. The Modaraba's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board) of the Management Company, chief operating officer and chief financial officer. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

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The Modaraba's overall risk management procedures, to minimize the potential adverse effects of financial market on the Modaraba's performance, are as follows:

31.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency, interest rate, commodity price and equity price that will affect the Modaraba's income or the value of its holdings of financial instruments.

31.1.1 Currency risk

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. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Modaraba is not exposed to currency risk arising from currency exposure as Modaraba is not involved in foreign currency transactions.

31.1.2 Equity price risk

Equity price risk represents the risk that the fair value of equity investments will fluctuate because of changes in levels of indices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Modaraba is exposed to equity price risk as it holds investments at fair value through profit and loss and fair value through OCI. The sensitivity analysis for fluctuation in equity prices, represented as a function of KSE Price Index, is given below:

		2021		2020	
		34,422		34,422	
		Changes in KSE index	Effects on Profit Before Tax	Effects on Equity	
		-----Rupees-----			
Reporting date index points					
Investment at fair value through OCI		2021	+1%	-	43,698
			-1%	-	(43,698)
		2020	+1%	-	35,883
			-1%	-	(35,883)
Investment at fair value through profit and loss					
		2021	+1%	3,675	-
			-1%	(3,675)	-
		2020	+1%	2,393	-

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31.1.3 Profit rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates.

As at the reporting date the profit rate profile of the Modaraba's profit bearing financial instruments were as under:

	<u>2021</u>	<u>2020</u>
	Rupees	Rupees
<u>Fixed rate instruments</u>		
Financial assets		
Ijarah rental receivables	126,560	1,236,779
Musharaka finance	80,688,081	77,867,252
<u>Floating rate instruments</u>		
Financial assets		
Bank balances - deposit accounts	51,488,402	43,782,105

Fair value sensitivity analysis for fixed rate instruments

The Modaraba does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Modaraba.

Cash flow sensitivity analysis for variable rate instruments

If profit rates, as at the reporting date, fluctuates by 1% higher / lower with all other variables held constant, profit before taxation for the year would have been Rs. 514,884 (2020: Rs. 437,821) higher / lower. This analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting dates were outstanding for the whole year.

31.2 Credit risk

31.2.1 Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date, net of impairment, was as follows:

Bank balances	52,109,733	44,158,744
Ijarah rental receivables	126,560	1,236,779
Advances, prepayments and other receivables	4,034,745	6,315,897
Short term investments	4,737,279	3,827,623
Short term musharaka receivables	600,000	8,000,000
Long term musharaka receivables	80,088,081	69,867,252
	<u>141,696,398</u>	<u>133,406,295</u>

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31.2.2 Geographically all credit exposure is concentrated in Pakistan.

The maximum exposure to credit risk for receivables (musharaka financing and ijarah / lease rental receivables) as at the reporting date by type of customer was:

	2021	2020
	Rupees	Rupees
Media advertising	55,349,707	56,045,078
Hotel	216,000	216,000
Leasing	2,045,179	2,045,179
Engineering	108,458	108,458
Education	290,971	290,971
Construction	16,088,745	11,990,661
Trading and others	8,575,977	848,680
Medical and pharmaceuticals	-	2,630,798
Individuals	13,735,195	20,722,747
	<u>96,410,232</u>	<u>94,898,572</u>

The income of the Modaraba is not dependent on the single customer and the Modaraba has no single customer from whom it is generating more than 10% revenue.

31.2.3 The aging of musharaka, lease / ijarah rental and trade receivables and related impairment loss as at the reporting date is as follows:

Aging of musharaka and ijarah rental receivables

Not past due	80,087,531	67,059,774
Past due 1 - 180 days	1,511,107	12,120,263
Past due 181 days - 1 year	-	164,315
Past due 1 - 2 years	1,326,010	2,999,340
More than 2 years	16,609,573	16,609,412
	<u>99,534,221</u>	<u>98,953,104</u>

The Modaraba has adopted a policy of only dealing with creditworthy parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Modaraba has internally developed rating criteria to rate its customers which is supplemented by ratings supplied by independent rating agencies where available. The Modaraba also uses other publicly available financial information and its own trading records to rate its customers. The Modaraba's exposure and the credit ratings of its parties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed annually.

The management monitors and limits Modaraba's exposure to credit risk through monitoring of clients' credit exposure, reviews and conservative estimates of provisions for doubtful receivables, if any, and through the prudent use of collateral policy. The management is of the view that it is not exposed to significant concentration of credit risk as its financial assets are adequately diversified in organizations of sound financial standing covering various industrial sectors and segments.

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31.2.4 The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. The table below shows the bank balances and investments held with some major counterparties at the reporting date:

	Rating		Rating Agency	2021	2020
	Short term	Long term		Rupees	Rupees
The Bank of Punjab	A1+	AA+	PACRA	50,273,006	-
Meezan Bank Limited	A-1+	AAA	JCR-VIS	463,949	1,757,616
MCB Islamic Bank	A-1+	AAA	PACRA	1,155,904	42,213,854
Habib Bank Limited	A-1+	AAA	JCR-VIS	216,874	187,274
				<u>52,109,733</u>	<u>44,158,744</u>
Available for Sale Investments (Note 8)				<u>4,369,829</u>	<u>3,588,332</u>

Further, the Modaraba's exposure to credit risk and impairment losses related to Investments, Murabaha financing, Ijarah financing, and other receivables are disclosed in the relevant notes to the financial statements.

The Modaraba's exposure related to ijarah receivables and musharaka receivables are secured by collaterals held and the Modaraba's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

31.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

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 stressed conditions, without incurring unacceptable losses or risking damage to the Modaraba's reputation. Owing to the fact that the Modaraba is in a positive working capital position at the year end, the management believes the liquidity risk to be low.

The table below analyses the Modaraba's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equate to their carrying balances as the impact of discounting is not significant.

	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years	Over 5 years
	----- (Rupees) -----				
June 30, 2021					
Unclaimed dividend	10,883,905	10,883,905	10,883,905	-	-
Musharaka finances payable	700,000	700,000	700,000	-	-
Creditors, accrued and other liabilities	826,423	826,423	826,423	-	-
	<u>12,410,328</u>	<u>12,410,328</u>	<u>12,410,328</u>	<u>-</u>	<u>-</u>

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June 30, 2020

Unclaimed dividend	10,670,220	10,670,220	10,670,220	-	-
Musharaka finances payable	700,000	700,000	700,000	-	-
Musharaka profit payable	1,430,192	1,430,192	1,430,192	-	-
Creditors, accrued and other liabilities	1,373,540	1,373,540	1,373,540	-	-
	<u>14,173,952</u>	<u>14,173,952</u>	<u>14,173,952</u>	<u>-</u>	<u>-</u>

Note 28 to the financial statements summarizes the maturity profile of the Modaraba's assets and liabilities.

31.4 Fair value of financial instruments

All financial assets and financial liabilities are initially recognized at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortized cost.

The carrying values of all financial assets and liabilities reflected in financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair value estimation

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

Fair value hierarchy

Fair value hierarchy categories are described in note 5.15 to the financial statements.

The following table presents the Company's financial assets that are measured at fair value at June 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	-----Rupees-----			
Financial Assets:				
Short term investments (Note 8)	4,737,279	-	-	4,737,279

The following table presents the Company's financial assets that are measured at fair value at June 30, 2020:

Financial Assets:				
Short term investments (Note 8)	3,827,623	-	-	3,827,623

31.5 Financial instruments by categories

Financial assets as at June 30, 2021

	<u>Available for sale</u>	<u>Loans and receivables</u>	<u>Held to maturity</u>	<u>Assets at fair value through profit or loss</u>	<u>Total</u>
	-----Rupees-----				
Cash and bank balances	-	52,113,573	-	-	52,113,573
Short term investments	4,369,829	-	-	367,450	4,737,279
Advances, prepayments and other receivables	-	4,691,456	-	-	4,691,456
Short term musharaka receivables	-	600,000	-	-	600,000
Ijarah rentals receivable	-	126,560	-	-	126,560
Long term musharaka receivables	-	80,088,081	-	-	80,088,081
Long term advances and deposits	-	2,619,260	-	-	2,619,260
	<u>4,369,829</u>	<u>140,238,930</u>	<u>-</u>	<u>367,450</u>	<u>144,976,209</u>

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Financial assets as at June 30, 2020

	Available for sale	Loans and receivables	Held to maturity	Assets at fair value through profit or loss	Total
-----Rupees-----					
Cash and bank balances	-	44,158,744	-	-	44,158,744
Short term investments	3,588,332	-	-	239,291	3,827,623
Advances, prepayments and other receivables	-	6,887,206	-	-	6,887,206
Short term musharaka receivables	-	8,000,000	-	-	8,000,000
Ijarah rentals receivable	-	1,236,779	-	-	1,236,779
Long term musharaka receivables	-	69,867,252	-	-	69,867,252
Long term musharaka receivables	-	2,361,817	-	-	2,361,817
Ijarah rentals receivable	-	1,236,779	-	-	1,236,779
Long term advances and deposits	-	2,619,260	-	-	2,619,260
	<u>3,588,332</u>	<u>136,367,837</u>	<u>-</u>	<u>239,291</u>	<u>140,195,460</u>

Financial liabilities at amortized cost

	2021 Rupees	2020 Rupees
Musharaka profit payable	-	1,430,192
Musharaka finances payable	700,000	700,000
Unclaimed dividend	10,883,905	10,670,220
Creditors, accrued and other liabilities	826,423	1,373,540
	<u>12,410,328</u>	<u>14,173,952</u>

31.6 Operational Risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Modaraba's operations either internally within the Modaraba or externally at the Modaraba's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Modaraba's activities.

The Modaraba's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its objective of generating returns for certificate holders.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors of the Management Company. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;

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- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

31.7 Capital Risk Management

The Modaraba's objectives when managing capital are to safeguard the Modaraba's ability to continue as a going concern in order to provide return for certificate holders and benefits for other stakeholders and to maintain healthier capital ratios in order to support its business and maximize certificate holders value. The Modaraba manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. There were no changes to the Modaraba's approach to capital management during the year and the Modaraba is not subject to externally imposed capital requirement.

Note 32

Maturity of Assets and Liabilities

	Up to one month	One month to three months	Three months to one year	One year to five years	Five years and above	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Assets						
Cash and bank balances	52,113,573	-	-	-	-	52,113,573
Ijarah rentals receivable	126,560	-	-	-	-	126,560
Advances, prepayments and other receivables	1,743,480	-	-	3,175,147	-	4,918,627
Advance income tax	-	-	1,693,272	-	-	1,693,272
Short term investments	367,450	-	4,369,829	-	-	4,737,279
Musharaka receivables	600,000	2,643,293	49,998,354	27,446,434	-	80,688,081
Long term advances and deposits	-	-	-	2,619,260	-	2,619,260
Investment property	416,669	1,250,007	3,333,352	25,000,140	27,083,410	57,083,578
Fixed assets	4,837,652	556,026	1,293,658	1,401,914	-	8,089,250
Total Assets - June 30, 2021	60,205,384	4,449,326	60,688,465	59,642,895	27,083,410	212,069,480
Liabilities						
Creditors, accrued and other liabilities	54,256	-	772,167	-	-	826,423
Unclaimed dividend	10,883,905	-	-	-	-	10,883,905
Musharaka finances	700,000	-	-	-	-	700,000
Security deposits	-	-	5,834,050	39,080	-	5,873,130
Total Liabilities - June 30, 2021	11,638,161	-	6,606,217	39,080	-	18,283,458
Net Assets - June 30, 2021	48,567,223	4,449,326	54,082,248	59,603,815	27,083,410	193,786,022
Total Assets - June 30, 2020 -Restated	74,428,036	10,604,697	46,083,188	66,506,328	32,083,438	229,705,687
Total Liabilities - June 30, 2020	28,057,633	1,546,220	3,534,279	3,597,800	-	36,735,932
Net Assets - June 30, 2020 -Restated	46,370,403	9,058,477	42,548,909	62,908,528	32,083,438	192,969,755

Represented by:

	2021 Rupees	2020 Rupees (Restated)
Certificate capital	216,875,000	216,875,000
Reserves	45,394,252	44,810,698
Accumulated loss	(72,853,017)	(72,304,233)
	189,416,235	189,381,465
Unrealized gain on revaluation of investments - Available for sale	4,369,787	3,588,290
	193,786,022	192,969,755

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Reconciliation of reportable segments revenues, profit or loss, assets and liabilities is as follows:

	<u>2021</u>	<u>2020</u>
	-----Rupees-----	
Revenues		
Total revenues for reportable segments	14,260,102	13,386,408
Other revenues	9,998,481	13,983,071
Modaraba's revenues	<u>24,258,583</u>	<u>27,369,479</u>
Profit		
Total profit for reportable segments	14,459,052	13,562,023
Other income	1,518,370	2,396,875
Operating expenses	(11,507,677)	(11,465,446)
Finance cost	(1,069,808)	-
Workers' Welfare Fund	(142,173)	-
Modaraba Management Company's fee	(339,994)	(444,760)
	<u>2,917,770</u>	<u>4,048,692</u>
Assets		
Total assets for reportable segments	144,533,072	168,156,804
Corporate assets unallocated:		
Cash and bank balances	52,113,573	44,158,744
Advances, deposits, prepayments and other receivables	4,918,627	7,098,466
Advance income tax	1,693,272	1,436,994
Long term advances and deposits	2,619,260	2,619,260
Short term investments	4,737,279	3,827,623
Fixed assets under own use	1,454,397	2,407,796
	<u>67,536,408</u>	<u>61,548,883</u>
Total assets as per the balance sheet	<u>212,069,480</u>	<u>229,705,687</u>
Liabilities		
Total liabilities for reportable segments	6,573,130	24,692,172
Corporate liabilities unallocated:		
Unclaimed dividend	10,883,905	10,670,220
Creditors, accrued and other liabilities	826,423	1,373,540
Total liabilities as per the balance sheet	<u>18,283,458</u>	<u>36,735,932</u>

- Certain liabilities, assets, other income and other operating charges of the Modaraba cannot be allocated to a specific segment. Accordingly, these amounts have been classified as unallocated.
- There are no differences between the measurements of the reportable segments' profits or losses, assets and liabilities with the Modaraba's profits or losses, assets and liabilities.
- There are no changes from prior periods in the measurement methods used to determine reported segment profit or loss.
- There are no asymmetrical allocations to reportable segments.

33.3 All non-current assets of the Modaraba are located in Pakistan as at the reporting date.

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Note 34

Provident Fund Related Disclosures

The Modaraba operates a recognized provident fund for its permanent employees wherein equal monthly contributions are made by the Modaraba and employees into the fund at the rate of 10% of the basic salary. Obligation for contributions to defined contribution plan is recognized as an expense in the profit and loss account. The following is information of fund as on June 30,:

	2021	2020
	<i>Rupees</i>	<i>Rupees</i>
	(Un-audited)	(Audited)
Size of the fund	300,011	571,501
Percentage of investments made	100.00%	100.00%
Cost of investments made	300,011	571,501

Break-up of investment in terms of amount and percentage of the size of the provident fund are as follows:

	2021		2020	
	Investment	Investment as a % of Size of funds	Investment	Investment as a % of Size of funds
	<i>Rupees</i>		<i>Rupees</i>	
Cash at bank	<u>300,011</u>	100.00%	<u>571,501</u>	100.00%

Investments out of the funds of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

Note 35

Number of Employees

	2021	2020
	Numbers	Numbers
Number of employees as at June 30,	10	14
Average number of employees during the year	12	14

Note 36

Date of Authorization for Issue

These financial statements were approved and authorized by the Board of Directors of IBL Modaraba Management (Private) Limited (the Management Company) for issue on September 24, 2021.

Note 37

Profit Distribution

Subsequent to the year ended June 30, 2021, the Board of Directors of the Management Company in their meeting held on September 24, 2021 declared a final profit distribution of Rs. Nil (2020: Rs. 0.1329) per Modaraba certificate which in total amounts to Rs. Nil (2020: Rs. 2,883,000).

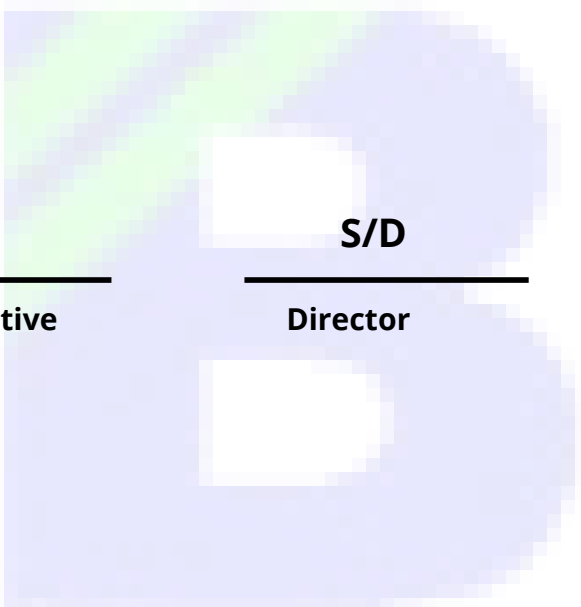
First IBL Modaraba Annual Report 2021

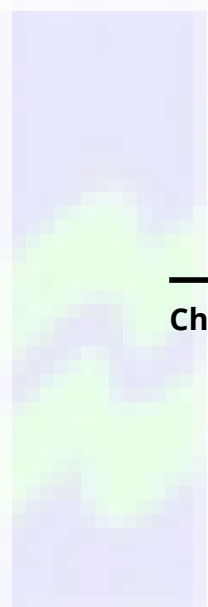
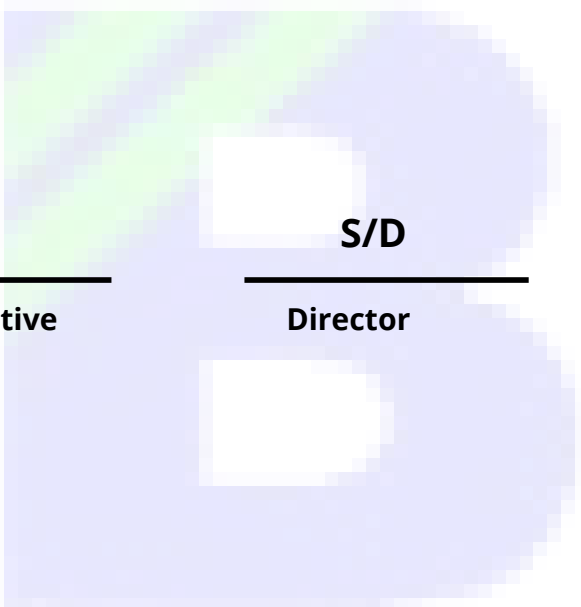
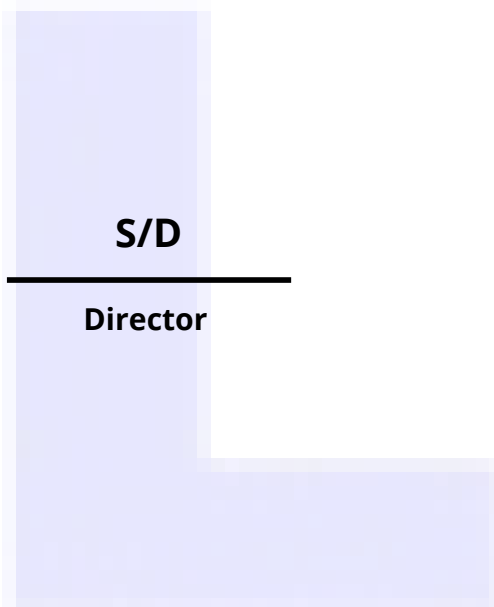
Note 38 General

Corresponding figures have been re-arranged, wherever necessary, to facilitate comparison. Following rearrangements has been made in these financial statements for better presentation.

Nature	From	To	Amount
Profit receivable on accounts	Other receivables (Note 8)	Profit receivable on saving accounts (Note 8)	369,339
Auditors' remuneration	Other operating expenses	Operating expenses	488,175

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



		
S/D	S/D	S/D
Chief Executive	Director	Director

CATAGORIES OF CERTIFICATE HOLDER AS ON JUNE 30 2021

First IBL Modaraba

As On: June 30, 2021

2.3 Categories of Shareholder	Folios	Physical	CDC	Share held	Percentage
2.3.1 - Directors, CEO, Their Spouse and Minor Childern	2	-	1,801,048	1,801,048	8.30
2.3.2 - Associated Companies, Undertakings & Related Parties	2	-	5,240,905	5,240,905	24.17
2.3.3 - NIT & ICP	1	-	1,078,774	1,078,774	4.97
2.3.4 - Banks, DFIs, NBFCs	5	9,354	801	10,155	0.05
2.3.5 - Insurance Companies	2	1,200	509,990	511,190	2.36
2.3.6 - Modarabas and Mutual Funds	1	-	70	70	0.00
2.3.8 - A. General Public (Local)	1,178	933,679	7,358,094	8,291,773	38.23
2.3.8 - B. General Public (Foreigner)	1	-	331	331	0.00
2.3.9 - A. Other Companies (Local)	13	39,494	4,713,760	4,753,254	21.92
	1,205	983,727	20,703,773	21,687,500	100.00

Shareholders More Than 10.00%			
M/S.DOSSLANI'S SECURITIES (PVT) LIMITED	1	4,425,764	20.41
M/S. UNIVERSITY OF MANAGEMENT & TECHNOLOGY	1	3,070,000	14.16
M/S. IBL MODARABA MANAGEMENT (PRIVATE) LIMITED	1	2,170,905	10.01

PATTERN OF CERTIFICATE HOLDING AS ON JUNE 30 2021

No. of Shareholders	Shareholding		Total Shares held
	From	To	
420	1	100	15,609
290	101	500	80,876
180	501	1,000	128,769
222	1,001	5,000	473,865
41	5,001	10,000	306,629
11	10,001	15,000	141,787
5	15,001	20,000	97,500
1	20,001	25,000	24,500
2	25,001	30,000	56,000
4	30,001	35,000	132,875
2	40,001	45,000	88,500
1	45,001	50,000	50,000
1	50,001	55,000	51,087
1	55,001	60,000	56,000
1	60,001	65,000	61,000
1	65,001	70,000	69,000
1	80,001	85,000	82,000
1	90,001	95,000	92,700
2	130,001	135,000	265,441
1	145,001	150,000	150,000
1	165,001	170,000	170,000
1	240,001	245,000	240,068
1	280,001	285,000	280,507
1	310,001	315,000	313,500
1	375,001	380,000	376,978
1	470,001	475,000	473,000
1	500,001	505,000	502,737
1	505,001	510,000	509,990
1	705,001	710,000	710,000
1	710,001	715,000	712,035
1	905,001	910,000	910,000
1	1,075,001	1,080,000	1,078,774
1	1,420,001	1,425,000	1,424,070
1	1,895,001	1,900,000	1,895,034
1	2,170,001	2,175,000	2,170,905
1	3,065,001	3,070,000	3,070,000
1	4,425,001	4,430,000	4,425,764
1,205			21,687,500