



KASB Modaraba

An Islamic Financial Institution



October 07, 2016

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir

Announcement

Financial Results of the Modaraba for the year ended June 30, 2016- KASB Modaraba

We are pleased to inform you that the Board of Directors of KASB Invest (Private) Limited, Managers of KASB Modaraba in their meeting, held on October 07, 2016 at 8-C, Block-6, P.E.C.H.S, off Shahr-e-Faisal, Karachi, has approved the annual audited financial statements of the Modaraba for the year ended June 30, 2016 and declared a final cash dividend @ 0.8% i.e Re. 0.08 per certificate for the year then ended.

The financial results of the Modaraba for the year ended June 30, 2016 are attached herewith as Annexure 'A'.

The auditors in their report have expressed their concern over non provisioning against one of the short term Modaraba finance facility, in continuation to the opinion of the previous auditors who had expressed a modified opinion on the same matter in their report to the financial statements of the Modaraba for the year ended June 30, 2015.

The amount is not doubtful as partial recovery is evidenced during the current period. Therefore the management believes that the remaining amount would be recovered in due course of time and no provision against the same is required.

The Annual Review meeting of the Modaraba for the year ended June 30, 2016 will be held on October 31, 2016 at 7:15 pm at KASB Institute of Technology (KASBIT) Auditorium situated at 84-B, S.M.C.H.S, Off Shahr-e-Faisal, Karachi. The above entitlement would be paid to the Certificate holders whose names will appear in the Register of Certificate holders on October 25, 2016.

The certificates transfer books of the Modaraba will remain closed from October 25, 2016 to October 31, 2016 (both days inclusive). Transfers received at the office of our share Registrar, M/s. C & K Management Associates (Private) Limited, located at 404, Trade Tower, Abdullah Haroon Road, Karachi, at the close of business on October 24, 2016 will be treated in time for the purpose of above entitlement to the transferees.

We will be sending you 200 printed copies of annual audited financial statements of the Modaraba for the year ended June 30, 2016 for distribution among the TREC holders of the Exchange, 21 days before the ARM.

Regards
For **KASB Modaraba**


Zia-ul-Haq
Company Secretary

KASB MODARABA
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2016

Annexure 'A'

	Note	2016	2015
		------(Rupees)-----	
Income from:			
- diminishing musharaka finance		59,293,080	66,061,326
- murabaha finance		45,846,666	43,266,061
- Ijarah finance	27	26,634,972	50,293,167
- musharaka finance		4,219,869	6,293,330
- modaraba finance - gross		3,704,611	366,178
- dairy project - gross		-	4,691,988
- banola project - gross		1,060,000	-
- takaful commission income		435,865	-
- sukuk bonds		324,441	518,697
- Gain on sale of 'Available-for-sale' investments - net	28	-	2,066,158
		141,519,504	173,556,905
Financial charges	29	(51,415,181)	(65,699,697)
Direct Cost:			
- Musharaka , Murabaha Finance		(1,624,465)	(331,800)
- Biological assets		-	(2,270,900)
- Modaraba finance		(1,818,205)	(6,730,477)
- Depreciation on assets under ijarah arrangements	18.1	(24,076,383)	(40,852,230)
		(78,934,234)	(115,885,104)
		62,585,270	57,671,801
Other income	30	24,543,845	21,630,174
Waivers/Write offs		(4,102,627)	-
Administrative and operating expenses	31	(73,668,814)	(66,206,931)
		9,357,674	13,095,044
Modaraba management company's fee (Inclusive of Sales tax)	32	(948,134)	(1,717,189)
Provision for Workers' Welfare Fund	33	(164,893)	(223,095)
Profit before taxation		8,244,647	11,154,760
Taxation	34	-	-
Net profit for the year		8,244,647	11,154,760
Earnings per certificate - basic and diluted	35	0.17	0.23

The annexed notes 1 to 43 form an integral part of these financial statements.

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For KASB Invest (Private) Limited
(Management Company)

Chief Executive

Director

Director


