



ORIENT
RENTAL MODARABA

FOCUSED ON SOLUTIONS

Third Quarterly Report
March 31, 2021

Contents

Modaraba Information	01
Vision and Mission Statement	02
Directors' Report	03
Condensed Interim Balance Sheet (Un-audited)	05
Condensed Interim Profit and Loss Account (Un-audited)	06
Condensed Interim Statement of Comprehensive Income (Un-audited)	07
Condensed Interim Cash Flow Statement (Un-audited)	08
Condensed Interim Statement of Changes in Equity (Un-audited)	09
Notes to the Condensed Interim Financial Information (Un-audited)	10
Directors' Report – Urdu	29
Jamapunji	30



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Modaraba Information

Modaraba Management Company

Eman Management (Private) Limited

Directors of Modaraba Management Company

Mr. Muhammad Saeed
Chairman

Mr. Teizoon Kijat
Chief Executive

Mr. Joozer Jiwa Khan
Non-Executive Independent Director

Mr. Nasim Ahmed
Non-Executive Director

Mr. Giasuddin Khan
Non-Executive Director

Chaudhry Jawaid Iqbal
Non-Executive Director

Ms. Saba Ahmed Agrawalla
Non-Executive Independent Director

Audit Committee

Mr. Joozer Jiwa Khan
Chairman

Mr. Nasim Ahmed
Member

Chaudhry Jawaid Iqbal
Member

Ms. Saba Ahmed Agrawalla
Member

Risk Management Committee

Ms. Saba Ahmed Agrawalla
Member

Chaudhry Jawaid Iqbal
Member

Mr. Giasuddin Khan
Member

Mr. Teizoon Kijat
Member

Chief Financial Officer

Mr. Abid Hussain Awan

Company Secretary

Mr. Muhammad Jamal Ahmedani

Head of Internal Audit

Ms. Oraiba Shehzad

Human Resource and Remuneration Committee

Mr. Joozer Jiwa Khan
Chairman

Mr. Muhammad Saeed
Member

Mr. Nasim Ahmed
Member

Mr. Teizoon Kijat
Member

Shariah Advisor

Alhamd Shahriah Advisory Services (Pvt) Ltd.

Auditors

BDO Ebrahim & Co

Legal Advisor

Mr. M Hashim Lodhi

Bankers / Financial Institutions

Bank Islami Pakistan

MCB Islamic Bank Limited

HBL Islamic Bank

Bank of Khyber

Meezan Bank Limited

National Bank of Pakistan

Askari Bank Limited

Faysal Bank Limited

First Habib Modaraba

Registered Office

Plot # 9, Sector 24

Korangi Industrial Area, Karachi

Registrar & Share Registration Office

CDC Share Registrar Services Limited

CDC House, 99-B, Block B, SMCHS

Main Shahrah-e-Faisal, Karachi

Vision:

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

Mission:

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

DIRECTORS' REPORT

The Directors of EMAN Management (Private) Limited ("EMAN"), the Management Company of Orient Rental Modaraba ("Modaraba"), are pleased to present the un-audited condensed interim financial statements for the nine months ended March 31, 2021.

Economic Overview and Outlook

Global Economy is emerging from one of its deepest recessions. The recovery is slow and fragile in the short-run owing to the uncertainty related to resurgence of Covid-19. SBP has frequently reviewed its monetary policy aimed to support growth and employment and to provide relief to industries during these challenging times. The monetary policy released by SBP is optimistic and policy rate has been maintained at 7 percent and it is expected that policy rate will remain unchanged in the near term. The domestic recovery has gradually gained momentum and the expectation now is that the GDP growth in FY 2021 may exceed 2 percent. Exports registered an impressive growth of 7% in 9M FY21 to USD 17.45 billion with highest monthly figure of USD 2.3 billion in March 2021. Moreover, Overseas workers remittances went up by 26.5% to USD 21.5 billion in 9M FY21. As a result, foreign reserves stood at USD 20.8 billion as of March 2021 depicting a growth of 11% from June 2020.

Financial Performance

The financial highlights are as follows:

Financial Highlights	Nine Months ended March 31, 2021 (Rupees)	Nine Months ended March 31, 2020 (Rupees)
Revenue	995,268,964	929,041,402
Expenses - net	890,972,562	904,779,838
Profit before Management Fee	104,296,402	24,261,564
Management Company's Remuneration and other provision	13,635,711	3,171,956
Profit before & after Taxation	90,660,691	21,089,608
Breakup value per Certificate	1.21	0.28

This performance of the Modaraba for nine months ended March 2021 improved on the back of accelerated economic activities in the industrial sector. The Modaraba recorded profit of Rs. 90.7 million before taxes as compared to Rs. 21.1 million recorded in the previous period. Moreover, reduced KIBOR rates, deferment of principal repayment and processing of pending tax refunds assisted in lowering the cost of debt and managing the cash flows.

As explained in note 18 to the financial statements, the President of Pakistan promulgated the Tax Law (Second Amendment) Ordinance, 2021, (Ordinance 2021), with effective from March 22, 2021, whereby Clause 100 of the Part I of the Second Schedule to the Income Tax Ordinance, 2001 relating to the Tax Exemption available to the Modarabas stands withdrawn.

The impact of this withdrawal is that now the Income of Modaraba is no longer exempt from tax and is subject to tax at normal rates. However, it is a settled law that the taxes can only be levied from prospective effect and any retrospective applicability thereof is ultra-vires under the Constitution. Accordingly, no provision for Income Tax has been made in the quarterly accounts for the period ended July 1, 2020 to March 31, 2021.



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Future outlook

Though the emergence of Covid-19 vaccines has eased out the fear globally, its mutated variants and the risk of its spread are still fearsome. As business of ORM is mainly linked with operations of the corporate sector in Pakistan, any downward trend in the economic activities may hamper the progress of your Modaraba.

The promulgation of the Ordinance 2021 has changed the dynamics of the entire Modaraba sector. The new tax laws are structured in a manner that it will impact profit margin of Modaraba resulting in making the existing business less conducive. The management of Modaraba is looking to divest into other avenues of revenue stream which ensures healthier margins to all its stakeholders.

ORM is still well positioned, as a progressive Modaraba, and we shall continue working towards quality growth and best return to our investors. Our focused strategy remains towards accomplishment of steady performance under the challenging business environment through expanding quality customer base and outreach.

Acknowledgement

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

The Board also acknowledges and appreciates the contribution and efforts of each and every employee of the Modaraba, who by meeting customer expectation and by providing quality service ensured continued business for the Modaraba.

For and on behalf of the Board

Chief Executive Officer

Director

Karachi
April 26, 2021

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2021**

	Note	(Un-audited) March 31, 2021 (Rupees)	(Audited) June 30, 2020 (Rupees)
ASSETS			
Non-current assets			
Fixed assets	4	1,332,467,181	1,198,399,551
Intangible assets	5	580,481	-
Long term deposit		4,698,000	4,698,000
		1,337,745,662	1,203,097,551
Current assets			
Stores, spares and loose tools	6	68,888,710	51,813,705
Receivables	7	192,101,202	196,182,742
Loans, advances and other receivable	8	69,950,886	64,494,860
Income tax refundable	9	106,726,215	142,723,259
Cash and bank balances	10	162,234,288	18,842,724
		599,901,301	474,057,290
TOTAL ASSETS		1,937,646,963	1,677,154,841
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized capital			
75,000,000 certificates of Rs. 10/- each		750,000,000	750,000,000
Issued, subscribed and paid-up certificate capital	11	750,000,000	750,000,000
Unappropriated profit		86,682,612	27,791,108
Statutory reserve	12	68,131,622	49,999,484
		904,814,234	827,790,592
Non-current liabilities			
Diminishing musharaka financing	13	427,824,532	464,223,486
Lease liability	14	-	1,179,030
		427,824,532	465,402,516
Current liabilities			
Current maturity of diminishing musharaka financing	13	214,508,027	28,861,725
Current portion of lease liability	14	4,688,608	13,144,322
Creditors, accrued and other liabilities	15	385,549,197	341,841,923
Unclaimed dividend		262,365	113,763
		605,008,197	383,961,733
TOTAL EQUITY AND LIABILITIES		1,937,646,963	1,677,154,841
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Director



Director



Chief Financial Officer

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		March 31, 2021 (Rupees)	March 31, 2020 (Rupees)	March 31, 2021 (Rupees)	March 31, 2020 (Rupees)
Ijarah rentals – net		631,171,185	581,407,940	213,027,387	196,876,271
Operation and maintenance income – net		364,097,779	347,633,462	128,083,178	110,163,676
		995,268,964	929,041,402	341,110,565	307,039,947
Operating expenses		(776,203,183)	(812,013,743)	(282,377,187)	(272,759,970)
Gross profit		219,065,781	117,027,659	58,733,378	34,279,977
Income on deposit with banks		2,867,622	1,485,206	974,002	251,307
Impairment loss	4.2	(4,460,027)	-	-	-
Loss on disposal of fixed assets		(16,416,417)	(12,148)	548,470	(7,404)
		201,056,959	118,500,717	60,255,850	34,523,880
Administrative expenses		(42,207,593)	(43,043,139)	(15,115,482)	(13,363,097)
Marketing expenses		(266,833)	(616,006)	(53,763)	(33,500)
Preliminary expenses and floatation costs		-	(8,966,763)	-	(2,988,921)
Finance costs		(48,571,064)	(44,848,994)	(15,839,229)	(16,923,073)
(Provision) / Reversal against potential ijarah losses and operation and maintenance income		(5,715,067)	3,235,749	-	-
		(96,760,557)	(94,239,153)	(31,008,474)	(33,308,591)
		104,296,402	24,261,564	29,247,376	1,215,289
Modaraba Management Company's fee	17	(10,429,640)	(2,426,156)	(2,924,737)	(121,528)
Provision for Sindh Sales tax on Modaraba Management fee	17	(1,355,853)	(315,400)	(380,216)	(15,798)
Provision for Sindh Workers' Welfare Fund		(1,850,218)	(430,400)	(518,848)	(21,559)
Profit before taxation		90,660,691	21,089,608	25,423,575	1,056,404
Taxation	18	-	-	-	-
Profit for the period		90,660,691	21,089,608	25,423,575	1,056,404
Earnings per certificate – basic and diluted		1.21	0.28	0.34	0.01

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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


Chief Executive Officer


Director


Director


Chief Financial Officer



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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Note	HALF YEAR ENDED		QUARTER ENDED	
		March 31, 2021 (Rupees)	March 31, 2020 (Rupees)	March 31, 2021 (Rupees)	March 31, 2020 (Rupees)
Profit for the period		90,660,691	21,089,608	25,423,575	1,056,404
Other comprehensive income		-	-	-	-
Profit for the period		<u>90,660,691</u>	<u>21,089,608</u>	<u>25,423,575</u>	<u>1,056,404</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

Director

Chief Financial Officer



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**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	March 31, 2021 (Rupees)	March 31, 2020 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	90,660,691	21,089,608
Adjustment for non-cash items:		
Depreciation on fixed assets	153,475,796	131,211,066
Amortisation of intangible assets	257,889	404,744
Preliminary expenses and floatation costs	-	8,966,763
Provision / (reversal) against potential ijarah losses and operation and maintenance income	5,715,067	(3,235,749)
Finance costs	48,571,064	44,848,994
Impairment loss	4,460,027	-
(Gain) / loss on disposal of fixed assets	16,416,417	12,148
Provision for Sindh Workers' Welfare Fund	1,850,218	430,400
Profit on bank deposits	(2,867,622)	(1,485,206)
	<u>227,878,856</u>	<u>181,153,160</u>
Operating profit before working capital changes	318,539,547	202,242,768
(Increase) / decrease in current assets		
Stores, spares and loose tools	(17,075,005)	(25,128,519)
Receivables	(1,633,527)	(38,386,444)
Loans, advances and other receivable	1,644,243	(26,789,862)
	<u>(17,064,289)</u>	<u>(90,304,825)</u>
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	82,450,422	236,356,375
Finance costs paid	(51,195,840)	(42,790,316)
Tax refunded / (paid) - net	35,997,045	(18,307,163)
Net cash generated from operating activities	<u>368,726,885</u>	<u>287,196,839</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to fixed assets	(346,294,940)	(276,772,988)
Additions to capital work-in-progress	(8,719,784)	-
Sale proceeds from disposal of fixed assets	1,769,855	160,979
Addition to intangible assets	(838,370)	-
Profit on bank deposits	2,623,761	1,457,536
Net cash used in investing activities	<u>(351,459,478)</u>	<u>(275,154,473)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Diminishing musharaka financing received	150,000,000	163,719,783
Repayment of diminishing musharaka financing	(752,652)	(118,333,336)
Repayment of lease liability	(9,634,744)	(8,040,230)
Dividend paid	(13,488,447)	(74,989,498)
Net cash generated from / (used in) financing activities	<u>126,124,157</u>	<u>(37,643,281)</u>
Net increase / (decrease) in cash and cash equivalents	143,391,564	(25,600,915)
Cash and bank balances at beginning of period	18,842,724	38,865,706
Cash and bank balances at end of period	<u>162,234,288</u>	<u>13,264,791</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

Director

Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Paid-up certificate capital (Rupees)	Statutory reserve * (Rupees)	Unappropriated profit (Rupees)	Total (Rupees)
Balance as at July 01, 2019	750,000,000	34,847,207	87,638,831	872,486,038
Profit for the period	-	-	21,089,608	21,089,608
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	21,089,608	21,089,608
Transfer to statutory reserve	-	4,217,922	(4,217,922)	-
Transaction with owners				
Profit distribution for the year ended June 30, 2019 @ Re. 1.00 per certificate	-	-	(75,000,000)	(75,000,000)
Balance as at March 31, 2020	<u>750,000,000</u>	<u>39,065,129</u>	<u>29,510,517</u>	<u>818,575,646</u>
Balance as at July 01, 2020	750,000,000	49,999,484	27,791,108	827,790,592
Profit for the period	-	-	90,660,691	90,660,691
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	90,660,691	90,660,691
Transfer to statutory reserve	-	18,132,138	(18,132,138)	-
Transaction with owners				
Profit distribution for the year ended June 30, 2020 @ Re. 0.18 per certificate	-	-	(13,637,049)	(13,637,049)
Balance as at March 31, 2021	<u>750,000,000</u>	<u>68,131,622</u>	<u>86,682,612</u>	<u>904,814,234</u>

* Statutory reserve represents profit set aside to comply with Prudential Regulation for Modarabas issued by Securities and Exchange Commission of Pakistan.

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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


Chief Executive Officer


Director


Director


Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

1. NATURE AND STATUS OF BUSINESS

Orient Rental Modaraba (the Modaraba) is a multipurpose and perpetual modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Eman Management (Private) Limited (the Modaraba Management Company). The Modaraba Management Company is incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is registered with the Registrar of Modaraba Companies and Modaraba under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The Modaraba was formally listed on November 17, 2017 on Pakistan Stock Exchange Limited. After receiving the certificate of minimum subscription the Modaraba commenced its operations with effect from November 24, 2017. The Registered Office of the Modaraba is situated at Plot # 9, Sector 24, Korangi Industrial Area, Karachi.

The Modaraba is primarily engaged in the business of ijarah, operation and maintenance services.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 - Interim Financial Reporting, Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) [‘the Modaraba Regulations’].

Wherever the requirements of ‘the Modaraba Regulations’ differ from the requirements of International Accounting Standard (IAS) 34 - Interim Financial Reporting and Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, requirements of ‘the Modaraba Regulations’ have been followed.

2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Modaraba for the year ended June 30, 2020.

2.1.3 The comparative balance sheet presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Modaraba for the year ended June 30, 2020, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flows statement, condensed interim statement of changes in equity of the Modaraba are extracted from the unaudited condensed interim financial statements for the nine months ended March 31, 2020.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention.

These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

Items included in the condensed interim financial statements are measured using the currency of the primary economic environment in which the Modaraba operates. These condensed interim financial statements are presented in Pakistani Rupees which is the Modaraba's functional and presentation currency.

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

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

- 3.1 The accounting policies adopted for the preparation of the condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Modaraba for the year ended June 30, 2020 except as explained in note 3.6 and 3.7
- 3.2 The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Modaraba's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Modaraba's operations or are not expected to have a significant effect on these condensed interim financial statements.
- 3.5 The Modaraba's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Modaraba for the year ended June 30, 2020.

3.6 Fixed Assets

a) Owned – in use

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

The cost of replacing part of an item of fixed asset is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Modaraba and its cost can be measured reliably. Normal repairs and maintenance are charged to profit and loss account as and when incurred; major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Depreciation

Depreciation on fixed assets, other than generators is charged to profit and loss account applying straight line method over 1.5 to 10 years.

Generators are depreciated on straight line basis having useful life of 5 years.

Subsequent costs are included in the asset's carrying amount are recognized as a separate asset, as appropriate, only 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. All other repairs and maintenance are charged to the profit and loss account as and when incurred. The residual values, useful life and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

b) Ijarah Assets

These are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only 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. All other repairs and maintenance are charged to the profit and loss account as and when incurred. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation

Depreciation on fixed assets, other than generators and certain machinery is charged to profit and loss account applying straight line method over 2 to 10 years.

Generators and certain machinery are depreciated on actual hours used. Depreciation on minimum standard hours has been discontinued from the beginning of the financial year. Had there been no change in estimate, depreciation expense would have been higher by Rs. 3.751 million and profit for the period would have lower by Rs. 3.261 million.

3.7 Non-current assets held for sale

Non-current assets are classified as held for sale if the carrying amount of the asset is to be recovered principally through a sale transaction rather than through continuing use, the sale is considered highly probable within one year from reporting date and the asset is available for immediate sale in the present condition. These are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are presented separately from the other assets in the condensed interim balance sheet.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized.

Assets are not depreciated or amortized while such are classified as held for sale.

	<u>Note</u>	<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Audited June 30, 2020 (Rupees)</u>
4. FIXED ASSETS			
Operating fixed assets	4.1 & 4.2	1,319,708,900	1,185,274,412
Capital work-in-progress	4.3	8,719,785	-
Right-of-use assets – Leasehold land	4.4	4,038,496	13,125,139
		<u>1,332,467,181</u>	<u>1,198,399,551</u>

- 4.1 It includes generators and related equipments acquired during the period by the Modaraba amounting to Rs. nil (June 30, 2020: Rs. 71.307 million) and Rs. 1.37 million (June 30, 2020: Rs. 134.153 million) from Orient Energy Systems (Private) Limited and Orient Energy Systems FZCO respectively - associated companies.

	Note	Un-audited March 31, 2021 (Rupees)	Audited June 30, 2020 (Rupees)
4.2 Operating fixed assets			
Written Down Value (WDV) – opening		1,185,274,412	1,187,432,747
Additions during the period / year - at cost			
Ijarah			
Generators		324,887,541	164,081,391
Accessories		20,602,571	30,102,827
Machinery and Equipment		-	51,643,021
		345,490,112	245,827,239
Own use			
Electronic Appliances		738,247	3,118,074
Motor Vehicle		66,581	6,987,660
Furniture and Fixtures		-	739,998
Leasehold improvements		-	15,061,951
		804,828	25,907,683
WDV of disposals during the period / year		(63,011,272)	(140,712,476)
Written off during the period / year		-	(7,380,314)
Impairment loss during the period / year		(4,460,027)	-
Transfer from capital work-in-progress		-	32,164,328
Depreciation charge during the period / year		(144,389,153)	(157,964,795)
		(211,860,452)	(273,893,257)
		1,319,708,900	1,185,274,412
4.3 Capital Work-In-Progress			
Generators under overhauling	4.3.1	8,719,785	-
4.3.1 Year ended June 30, 2020			
Opening balance		-	-
Additions during the period / year - at cost	4.3.2	8,719,785	-
Closing balance		8,719,185	-
4.3.2 This represents service cost of generators during the period amounting to Rs. 4.5 million (June 30, 2020: Rs. Nil) from Orient Energy Systems (Private) Limited.			

	<u>Note</u>	<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Audited June 30, 2020 (Rupees)</u>
4.4 Right-of-use-asset - Leasehold land			
The recognised right-of-use assets relate to the following types of asset:			
Leasehold land		4,038,496	13,125,139
Balance as at July 01		13,125,139	25,240,663
Depreciation charge during the period / year		(9,086,643)	(12,115,524)
		<u>4,038,496</u>	<u>13,125,139</u>
5 INTANGIBLE ASSETS			
Software and licenses	5.1	<u>580,481</u>	<u>-</u>
5.1 Net carrying value basis			
Opening net book value		-	-
Additions during the period / year - at cost		838,370	-
Amortization charge during the period / year		(257,889)	-
Closing net book value		<u>580,481</u>	<u>-</u>
6 STORES, SPARES AND LOOSE TOOLS			
Stores, spares and loose tools	6.1	<u>68,888,710</u>	<u>51,813,705</u>
6.1 Spare parts and loose tools consists of items related to generators and machines.			

	Note	Un-audited March 31, 2021 (Rupees)	Audited June 30, 2020 (Rupees)
7 RECEIVABLES			
(Unsecured)			
Ijarah rental receivables	7.1	108,354,930	107,858,665
Operation and maintenance receivables	7.2	83,746,272	88,324,077
		<u>192,101,202</u>	<u>196,182,742</u>
7.1 Ijarah rental receivables			
Considered good		107,080,821	80,827,892
Non-performing portfolio (classified portfolio)		29,817,439	53,142,474
Less: Provision against potential ijarah losses		(28,543,330)	(26,111,701)
		<u>1,274,109</u>	<u>27,030,773</u>
		<u>108,354,930</u>	<u>107,858,665</u>
7.2 Operation and maintenance receivables			
Considered good		81,903,014	77,799,140
Non-performing portfolio (classified portfolio)		36,322,330	41,720,571
Less: Provision against potential loss		(34,479,072)	(31,195,634)
		<u>1,843,258</u>	<u>10,524,937</u>
		<u>83,746,272</u>	<u>88,324,077</u>
8 LOANS, ADVANCES AND OTHER RECEIVABLE			
Takaful claim receivable		2,678,807	2,448,227
Sales tax adjustable	8.1	33,711,612	44,984,793
Loans and advances to staff	8.2	2,843,987	3,365,437
Earnest money		1,191,311	1,913,766
Advances and prepayments	8.3	18,065,522	9,534,509
Security deposit		1,904,500	1,109,500
Profit receivable from bank		410,257	166,396
Other receivables		9,144,890	972,232
		<u>69,950,886</u>	<u>64,494,860</u>
8.1	This amount includes sales tax input adjustable on account of purchase of fixed assets.		

- 8.2 This includes an amount of Rs. 1.709 million (June 30, 2020: Rs. 2.104 million) related to advance against expenses and Rs. 1.134 million (June 30, 2020: Rs. 1.261 million) related to loan to staff which is secured against staff provident fund.
- 8.3 This includes Rs. 0.950 million (June 30, 2020: Rs. 0.613 million) receivable from Eman Management (Private) Limited, an associated company.

	<u>Note</u>	<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Audited June 30, 2020 (Rupees)</u>
9 INCOME TAX REFUNDABLE			
Advance income tax	9.1	<u>106,726,215</u>	<u>142,723,259</u>
9.1 During the period, the income tax department has started processing refund application of companies. Consequently, the Modaraba has received Rs. 21.524 million and Rs. 18.719 million in respect of tax year 2018 and 2019 respectively.			

	<u>Note</u>	<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Audited June 30, 2020 (Rupees)</u>
10 CASH AND BANK BALANCES			
Cash in hand		947,695	544,666
Cash at banks			
- in current account		2,234,767	4,630,797
- in savings account	10.1	<u>159,051,826</u>	<u>13,667,261</u>
		<u>161,286,593</u>	<u>18,298,058</u>
		<u>162,234,288</u>	<u>18,842,724</u>
10.1 These balances carry profit at rates ranging from 3.5% to 6% (June 30, 2020: 3.5% to 6.5%) per annum.			

11 ISSUED, SUBSCRIBED AND PAID-UP CERTIFICATE CAPITAL

Un-audited March 31, 2021 Number of certificates	Audited June 30, 2020 Number of certificates		Un-audited March 31, 2021 (Rupees)	Audited June 30, 2020 (Rupees)
75,000,000	75,000,000	Modaraba certificates of Rs. 10 each fully paid up	750,000,000	750,000,000

11.1 Eman Management (Private) Limited (the Management Company) held 7,500,000 (10%) certificates of Rs. 10 each as at March 31, 2021 (June 30, 2020: 7,500,000).

12 STATUTORY RESERVE

Statutory reserve represents profits set aside to comply with the Prudential Regulations for Modarabas issued by Securities and Exchange Commission of Pakistan. These regulations require a Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that reserves equal 100% of the paid-up capital. Thereafter, a sum not less than 5% of after tax profit is to be transferred. During the current period, the Modaraba has transferred an amount of Rs. 18.132 million (June 30, 2020: Rs. 15.152 million) which represents 20% (June 30, 2020: 50%) of the profit after tax for the period.

	Note	Un-audited March 31, 2021 (Rupees)	Audited June 30, 2020 (Rupees)
13 DIMINISHING MUSHARAKA FINANCING			
(Secured)			
Diminishing Mushraka Financing	13.1	642,332,559	493,085,211
Due within one year		(214,508,027)	(28,861,725)
		<u>427,824,532</u>	<u>464,223,486</u>

13.1 The total facility from Musharaka finance available from financial institutions and Modaraba amounts to Rs. 850 million and Rs. 12.913 million respectively. These facilities have maturities from March 2019 to December 2024 (June 30, 2020: March 2019 to December 2024) and are secured against the hypothecation of Ijarah assets. Share of profit payable on these facilities is 8.53% to 10.00% per annum (June 30, 2020: 12.80% to 15.25% per annum).

- 13.2 The State Bank of Pakistan has issued BPRD Circular Letter No. 13 of 2020 (Para 3(a) of Regulation R-8 - Rescheduling / Restructuring of Financing Facilities) dated March 26, 2020 whereby certain relief measures were allowed in the Prudential Regulations for Modarabas. In pursuance of the above mentioned BPRD Circular, SECP vide circular No. 15 of 2020 dated April 24, 2020 has allowed relaxation to Modarabas in terms of serial No. 5 of Part III of circular No. 4 of 2004 dated January 28, 2004. Consequently, Modaraba has restructured diminishing musharaka financing from certain banks amounting to Rs. 487.690 million.

	<u>Note</u>	<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Audited June 30, 2020 (Rupees)</u>
14 LEASE LIABILITY			
Lease liability		4,688,608	14,323,352
Less: current portion		<u>(4,688,608)</u>	<u>(13,144,322)</u>
		<u>-</u>	<u>1,179,030</u>
Maturity analysis of contractual undiscounted cash flow:			
Less than one year		5,959,013	14,244,878
One to five year		-	1,191,802
Total undiscounted cash flow		<u>5,959,013</u>	<u>15,436,680</u>
15 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Remuneration payable to Modaraba Management Company		10,429,640	3,486,247
Creditors for spare parts and fixed assets	15.1	282,755,024	252,652,430
Ijarah rental payable		13,182,067	5,488,143
Advances / deposits from customers		24,501,320	20,828,132
Withholding income and sales tax payable		16,274,182	16,239,369
Accrued liabilities		21,761,479	22,521,110
Payable to Provident Fund	15.2	-	4,562,299
Accrued profit on diminishing musharaka financing		6,206,165	8,830,941
Provision for Sindh Workers' Welfare Fund	15.3	6,024,515	4,174,297
Provision for indirect taxes		4,414,805	3,058,955
		<u>385,549,197</u>	<u>341,841,923</u>
15.1 This amount includes Rs. 229.548 million (June 30, 2020: Rs. 232.141 million) in respect of purchase of spare parts and loose tools and service and maintenance charges and overhauling / purchase of generators, accessories and equipment payable to Orient Energy Systems (Private) Limited, an associated company.			

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

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

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

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

As a result, the Modaraba is of the view that unless there is a mechanism of apportionment of the total income relevant to the province of Sindh, SRB has no legal authority to demand and / or collect SWWF from the Modaraba. However, the Modaraba as a matter of abundant precaution has recognized provision for SWWF amounting to Rs. 6.024 million in these condensed interim financial statements.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

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

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

16.2 Commitments

16.2.1 Contractual rentals receivable on Ijarah and operation and maintenance contracts

Future minimum ijarah receivables on the basis of ijarah and operation and maintenance agreements executed up to March 31, 2021 (June 30, 2020) are as follows:

	Un-audited March 31, 2021 Ijarah rental receivables (Rupees)	Audited June 30, 2020 Ijarah rental receivables (Rupees)
Receivables not later than one year	91,241,900	453,834,400
Receivables later than one year but not later than five years	1,375,000	7,540,000
	<u>92,616,900</u>	<u>461,374,400</u>
	Un-audited March 31, 2021 Operation and maintenance income receivables (Rupees)	Audited June 30, 2020 Operation and maintenance income receivables (Rupees)
Receivables not later than one year	101,662,453	62,009,922
Receivables later than one year but not later than five years	-	2,171,052
	<u>101,662,453</u>	<u>64,180,974</u>

16.2.2 Contractual rentals payable on Ijarah contracts

The Modaraba has obtained 69 generators on Ijarah from ORIX Leasing Pakistan Limited (OLP) for a period of three years with quarterly rental installment of Rs. 46.087 million. During the period, forty generators were acquired while one generator was returned. M/s Orient Energy Systems (Private) Limited has provided bank (performance) guarantee to ORIX Leasing Pakistan Limited amounting to Rs. 55.74 million on behalf of the Modaraba. Future minimum ijarah payables on the basis of ijarah agreements executed up to March 31, 2021 (June 30, 2020) are as follows:

	Un-audited March 31, 2021 Ijarah rental payables (Rupees)	Audited June 30, 2020 Ijarah rental payables (Rupees)
Payables not later than one year	13,182,067	145,244,175
Payables later than one year but not later than five years	-	-
	<u>13,182,067</u>	<u>145,244,175</u>

During 2019, due to prevailing conditions because of Covid - 19, the Modaraba approached Orix Leasing Pakistan Limited (OLP) for relaxation in terms of payment of Ujrah. Consequently, the installment payable was restructured by OLP. Due to restructuring, Ujrah facility will end on January 15, 2022, therefore it was classified as short term lease.

17 MODARABA MANAGEMENT COMPANY'S FEE

In accordance with the Modaraba Companies and Modaraba Rules, 1981, the Modaraba has accrued management fee at the rate of 10% of profits during the period which is payable to the Modaraba Management Company amounting to Rs. 10.429 million (March 31, 2020: Rs. 2.426 million). Furthermore, during the current period, an amount of Rs. 1.356 million (March 31, 2020: Rs. 0.315 million) at the rate of 13% was charged on account of sales tax on management fee levied under Sindh Sales Tax on Services Act, 2011.

18 TAXATION

On March 22, 2021, the President of Pakistan promulgated the Tax Law (Second Amendment) Ordinance, 2021 (Ordinance 2021) whereby Clause 100 of the Part 1 of the Second Schedule to the Income Tax Ordinance, 2001 relating to the Tax Exemption available to the Modarabas stands withdrawn.

Tax Exemption has been available to the Modarabas under Section 37 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, which is still operative and was specified under Clause 100 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, which exemption has been removed by Ordinance 2021. It is believed that the Ordinance 2021 will be placed before the Assembly for ratification through a Finance Act. It is a settled law that the taxes can only be levied from prospective effect and any retrospective applicability thereof is ultra-vires the Constitution. Based on the legal and professional advice, the Management along with other Modarabas, have made representations to the appropriate authorities to remove intended withdrawal of tax exemption available to the Modarabas, particularly any retrospective effect of the Ordinance 2021.

Accordingly, no provision for Income Tax has been made in the quarterly accounts for the period ended March 31, 2021.

19 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Modaraba is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' requires the Modaraba to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

As at March 31, 2021 and June 30, 2020, there were no financial instruments which were measured at fair values.

The table below analyses financial instruments measured at the end of the reporting period:

	As at March 31, 2021		As at June 30, 2020	
	Carrying Amount (Rupees)	Total (Rupees)	Carrying Amount (Rupees)	Total (Rupees)
Financial assets at amortised cost				
Receivables	192,101,202	192,101,202	196,182,742	196,182,742
Advances and other receivables	18,173,752	18,173,752	14,673,558	14,673,558
Cash and bank balances	161,286,593	161,286,593	18,298,058	18,298,058
	<u>371,561,547</u>	<u>371,561,547</u>	<u>229,154,358</u>	<u>229,154,358</u>
Financial liabilities at amortised cost				
Diminishing musharaka financing	642,332,559	642,332,559	493,085,211	493,085,211
Creditors, accrued and other liabilities	312,570,948	312,570,948	275,020,060	275,020,060
Lease liability	4,688,608	4,688,608	14,323,352	14,323,352
Unclaimed dividend	262,365	262,365	113,763	113,763
	<u>959,854,480</u>	<u>964,932,247</u>	<u>782,542,386</u>	<u>782,542,386</u>

- 19.1 These financial assets and liabilities are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

20 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include a subsidiary company, modaraba management company, associated companies with or without common directors, retirement benefit funds, directors, and key management personnel.

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

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

	<u>Relationship with Modaraba</u>	<u>Nature of transactions</u>	<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Un-audited March 31, 2020 (Rupees)</u>
20.1	Transactions during the period:			
	Associated Company Orient Energy System (Private) Limited	Purchase / overhauling of: - generators - accessories - stores, spares and loose tools - service and maintenance charges Rental of generators Operation and maintenance income	<u>4,457,989</u> <u>-</u> <u>75,778,858</u> <u>1,986,550</u> <u>9,767,750</u> <u>11,394,587</u>	<u>26,198,167</u> <u>11,106,387</u> <u>78,551,180</u> <u>1,117,221</u> <u>6,917,000</u> <u>-</u>
	Associated Company Eman Management (Private) Limited	Management fee Reimbursement of expenses	<u>10,429,640</u> <u>766,361</u>	<u>2,426,156</u> <u>428,686</u>
	Key Management Personnel	Remuneration Contribution to Provident Fund	<u>20,796,545</u> <u>1,066,664</u>	<u>22,446,185</u> <u>1,220,292</u>
	Employees' Provident Fund	Contribution to Provident Fund	<u>18,143,130</u>	<u>17,554,235</u>
	Orient Energy System FZCO	Purchase / overhauling of: - accessories - stores, spares and loose tools	<u>1,373,386</u> <u>22,289,500</u>	<u>-</u> <u>-</u>
			<u>Un-audited March 31, 2021 (Rupees)</u>	<u>Audited June 30, 2020 (Rupees)</u>
20.2	Period end balances:			
	Associated Company Orient Energy System (Private) Limited	Payable against purchases of fixed assets, spare parts & loose tools and service & maintenance charges Receivable against services rendered	<u>229,547,926</u> <u>20,126,291</u>	<u>232,141,001</u> <u>2,565,067</u>
	Eman Management (Private) Limited	Management fee payable Receivable against PSO fleet charges Outstanding certificates 7,500,000 (June 30, 2020: 7,500,000)	<u>10,429,640</u> <u>950,711</u> <u>75,000,000</u>	<u>3,486,247</u> <u>613,494</u> <u>75,000,000</u>
	Directors	Outstanding certificates 12,500,000 (June 30, 2020: 12,500,000)	<u>125,000,000</u>	<u>125,000,000</u>
	Key Management Personnel	Outstanding certificates 10,008 (June 30, 2020: 10,008)	<u>100,080</u>	<u>100,080</u>

21 SEGMENT INFORMATION

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

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

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

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

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

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

	Ijarah rentals	Operation and	Total
	(Rupees)	maintenance	(Rupees)
	<u>(Rupees)</u>	<u>(Rupees)</u>	<u>(Rupees)</u>
21.1 Segment revenue / profit			
For the period ended March 31, 2021			
Revenue	631,171,185	364,097,779	995,268,964
Costs	<u>(570,812,093)</u>	<u>(279,396,465)</u>	<u>(850,208,558)</u>
Reporting segment profit	<u>60,359,092</u>	<u>84,701,314</u>	<u>145,060,406</u>
For the period ended March 31, 2020			
Revenue	581,407,940	347,633,462	929,041,402
Costs	<u>(612,548,748)</u>	<u>(238,716,144)</u>	<u>(851,264,892)</u>
Reporting segment profit	<u>(31,140,808)</u>	<u>108,917,318</u>	<u>77,776,510</u>

	Un-audited March 31, 2021 (Rupees)	Un-audited March 31, 2020 (Rupees)
Reconciliation of segment results with profit after tax is as under:		
Total results for reportable segments	145,060,406	77,776,510
Other non-operating income	2,867,622	1,485,206
Marketing and administrative expenses	(42,474,427)	(43,659,145)
Preliminary expenses and floatation costs	-	(8,966,763)
Finance costs	(1,157,199)	(2,374,244)
Other non-operating expenses	(13,635,711)	(3,171,956)
	<u>90,660,691</u>	<u>21,089,608</u>

	Ijarah rentals (Rupees)	Operation and maintenance (Rupees)	Total (Rupees)
21.2 Segment assets and liabilities			
As at March 31, 2021 (Un-audited)			
Segment assets	<u>1,516,694,920</u>	<u>129,532,413</u>	<u>1,646,227,333</u>
Segment liabilities	<u>937,619,407</u>	<u>-</u>	<u>937,619,407</u>
As at June 30, 2020 (Audited)			
Segment assets	<u>1,400,313,978</u>	<u>133,937,640</u>	<u>1,534,251,618</u>
Segment liabilities	<u>760,178,961</u>	<u>-</u>	<u>760,178,961</u>

Reconciliation of segment assets and liabilities with total assets and liabilities in the condensed interim Balance Sheet is as under:

	Un-audited March 31, 2021 (Rupees)	Audited June 30, 2020 (Rupees)
Total for reportable segment assets	1,646,227,333	1,534,251,618
Unallocated assets	291,419,630	142,903,223
Total assets as per condensed interim balance sheet	<u>1,937,646,963</u>	<u>1,677,154,841</u>
Total for reportable segment liabilities	937,619,407	760,178,961
Unallocated liabilities	95,213,322	89,185,288
Total liabilities as per condensed interim balance sheet	<u>1,032,832,729</u>	<u>849,364,249</u>

22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 26, 2021 by the Board of Directors of Eman Management (Private) Limited.

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



**Chief Executive
Officer**



Director



Director



**Chief Financial
Officer**

صنعتی شعبہ میں معاشی سرگرمیوں میں تیزی آنے سے مضاربہ کی نوماہ محنت مارچ 2021 کی کارکردگی بہتر ہوئی۔ مضاربہ نے 90.7 ملین روپے کا قبل از ٹیکس منافع حاصل کیا جو کہ گزشتہ اسی مدت میں 21.1 ملین روپے ریکارڈ ہوا تھا۔ اس کے علاوہ KIBOR کے تخفیف شدہ ریٹس، اصل کی ادائیگی کے موخر ہونے اور زیر التوا ٹیکس ریفرنڈز کی کارروائی کے سبب قرضے کی لاگت کے کم ہونے اور نقد بہاؤ کو منظم کرنے میں مدد ملی۔

جیسا کہ مالیاتی اسٹیٹمنٹس کے نوٹ نمبر 18 میں واضح کیا گیا ہے، صدر پاکستان نے 22 مارچ 2021 سے موثر ٹیکس قانون (دوسری ترمیم) آرڈیننس، 2021 (آرڈیننس 2021) نافذ کر دیا ہے جس کے تحت اکم ٹیکس آرڈیننس 2001 کے سکنڈ شیڈول کے پارٹ 1 کی شق 100 کے مطابق مضاربہ کو دستیاب ٹیکس کی چھوٹ کو واپس لے لیا گیا ہے۔ چھوٹ کی واپسی کے اثر سے اب مضاربہ کی آمدنی ٹیکس سے مستثنیٰ نہیں رہی اور اس پر معمول کا ٹیکس لاگو ہوگا۔ تاہم یہ طے شدہ قانون ہے کہ صرف وہی ٹیکس نافذ کیا جاسکتا ہے جو مستقبل سے موثر ہو اور آئین کے تحت ماضی کا ٹیکس لاگو کرنا دائرہ اختیار سے باہر ہے۔ اس لحاظ سے یکم جولائی 2020 سے 31 مارچ 2021 کی مدت کیلئے نوماہ کے اکاؤنٹس میں اکم ٹیکس کا پروویژن نہیں رکھا گیا ہے۔

مستقبل کا منظر نامہ

کوویڈ-19 ویکسین کے متعارف ہونے سے عالمی سطح پر خوف کم ہو رہا ہے تاہم اس کی تبدیل شدہ اقسام اور اس کے پھیلاؤ کا خدشہ ابھی بھی خوف کا سبب ہے۔ اور ایم کاروبار زیادہ تر پاکستان میں کارپوریٹ سیکٹر کے آپریشنز سے منسلک ہے، معاشی ترقی کی سرگرمیوں میں کسی بھی کی کارحجان آپکے مضاربہ کی ترقی میں رکاوٹ بن سکتا ہے۔ آرڈیننس 2021 کے نفاذ سے مضاربہ کے پورے شعبے کا رخ تبدیل ہو گیا ہے۔ نئے ٹیکس قوانین اس طرح تشکیل دیئے گئے ہیں جس سے مضاربہ کے منافع کے مارجن پر اثر پڑے گا اور اس کے نتیجے میں موجودہ کاروبار کم فائدہ مند ہوگا۔ مضاربہ کی انتظامیہ آمدنی کے دھارے کے دیگر راستے اختیار کرنے کی تیاری کر رہی ہے جو اپنے اسٹیک ہولڈرز کیلئے زیادہ بہتر مارجن کو یقینی بنا سکیں۔

اور ایم کو ایک ترقی کر نیوالے مضاربہ کی حیثیت حاصل ہے۔ اور ہم اپنے کاروبار کی ترقی اور سرمایہ کاروں کے بہترین منافع کے لئے کام کرتے رہیں گے۔ ہماری توجہ اور حکمت عملی معیاری کسٹمر ہیں اور رسد کو بڑھانے پر مرکوز ہے۔ ہم اپنے مختلف کاموں میں زیادہ سے زیادہ ہم آہنگی پر توجہ مرکوز کرتے ہوئے لاگت میں کمی کی استعداد کو زیادہ سے زیادہ بنانے کی اپنی کوششوں کو جاری رکھنا چاہتے ہیں۔ ہماری توجہ معیار کو برقرار رکھتے ہوئے اپنے سرمایہ کاروں کو مستقل منافع کی فراہمی پر مرکوز ہے گی۔

اعتراف

بورڈ، رجسٹرار مضاربہ، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کا شکریہ ادا کرتا ہے جنہوں نے مضاربہ کے کاروباری عمل کو احسن طریقے سے جاری رکھنے میں تعاون، مدد اور رہنمائی فراہم کی۔

بورڈ اپنے سرٹیفکیٹ ہولڈرز کا بھی ممنون ہے جنہوں نے اورینٹ گروپ پر اپنا اعتماد کا اظہار کیا اور بورڈ اپنے ہر ملازم کی محنت اور کوششوں کا بھی متعرف اور شکر گزار ہے جنہوں نے صارفین کی توقع کے مطابق معیاری خدمات فراہم کی اور مضاربہ کے کاروبار کی ترقی کو یقینی بنایا۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

اپریل 26، 2021

ڈائریکٹرز کی رپورٹ

اورینٹ رینٹل مضاربہ ("مضاربہ") کی مینجمنٹ کمپنی ایمان مینجمنٹ (پرائیویٹ) لمیٹڈ ("ایمان") کے بورڈ آف ڈائریکٹرز مضاربہ کے نو ماہ محنتہ 31 مارچ 2021 کے غیر آڈٹ شدہ مختصر عبوری حسابات بمسرت پیش کر رہے ہیں۔

معاشی جائزہ اور نظریہ

عالمی معیشت شدید ترین کساد بازاری سے نکل رہی ہے۔ کوویڈ-19 کی نئی لہر سے متعلق غیر یقینی کیفیت کے سبب قلیل مدت میں سست روی اور کمزوری کے ساتھ اس میں بحالی آرہی ہے۔ اسٹیٹ بینک آف پاکستان نے اس چیلنج کے وقت میں نمو اور روزگار میں تعاون کرنے اور صنعتوں کو سہولت فراہم کرنے کیلئے اپنی مائٹری پالیسی کا فوری طور پر جائزہ لیا۔ ایس بی پی کی جاری کردہ مائٹری پالیسی امید افزا ہے اور اس میں 7 فیصد کی شرح برقرار رکھی گئی ہے اور توقع ہے کہ مستقبل قریب میں پالیسی ریٹس میں کوئی تبدیلی نہیں ہوگی۔ مقامی وصولیاتی کی رفتار بھی آہستہ آہستہ بڑھ رہی ہے اور توقع ہے کہ مالی سال 2021 میں جی ڈی پی کی نمو 2 فیصد سے زیادہ بڑھ سکتی ہے۔ مالی سال 2021 کے نو ماہ میں برآمدات متاثر کن 7 فیصد اضافے کے ساتھ 17.45 بلین ڈالر ہو گئی اور مارچ 2021 میں بلند ترین ماہانہ سطح یعنی 2.3 بلین ڈالر تک پہنچ گئی۔ اس کے علاوہ مالی سال 2021 کے نو ماہ میں سمندر پار کام کرنے والوں کی جانب سے ترسیلات زر میں 26.5 فیصد اضافے کے ساتھ 21.5 بلین ڈالر ہو گئیں۔ اسکے نتیجے میں مارچ 2021 میں غیر ملکی ریزروز 20.8 بلین ڈالر ہو گئے جس سے ظاہر ہوتا ہے کہ جون 2020 سے اب تک اس میں 11 فیصد اضافہ ہوا ہے۔

مالیاتی کارکردگی

اس کی مالیاتی جھلکیاں درج ذیل ہیں:








31 مارچ 2020 (روپے)	31 مارچ 2021 (روپے)	مالیاتی جھلکیاں
929,041,402	995,268,964	آمدنی
904,779,838	890,972,562	اخراجات
24,261,564	104,296,402	مینجمنٹ کمپنی کے معاوضے سے قبل منافع
3,171,956	13,635,711	مینجمنٹ کمپنی کا معاوضہ اور دیگر اخراجات
21,089,608	90,660,691	قبل اور بعد از ٹیکس منافع
0.28	1.21	فی سرٹیفیکیٹ آمدنی - بنیادی اور تحلیل شدہ










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