



# **FIRST PARAMOUNT MODARABA**

(An Islamic Financial Institution)  
Managed by: Paramount Investments Limited

for the period ended  
September 30, 2019 (Un-Audited)

**Quarterly Report 2019**

For Long Term 'BBB', For Short Term A-3  
Out Look - Stable  
JCR VIS Credit Rating Company



## *First Paramount Modaraba*

(An Islamic Financial Institution)

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## *Mission & Vision*

1. It is our firm commitment to operate the Modaraba activities in accordance with Islamic Sharia with Its true spirit.
2. To employ the Modaraba funds in best possible way and to promote the human talents, to maximize the profit for certificate holders.
3. It is our mission to constantly endeavour for excellence in all spheres of business activity, maintain its eminent market position, promote lasting relationship with our customers and other stakeholders, and construct a durable and vibrant Pakistan.



### **STATEMENT OF ETHICS AND BUSINESS PRACTICES**

We believe a complete code of ethics is a prerequisite for all Directors and employees of Frist Paramount Modaraba. We endeavour to the philosophy behind the code of ethics to carry out honestly activities assigned to them. Our aim is to have highest standard of excellence for the product and the betterment for all those involved directly or indirectly with our Modaraba.

## Corporate Information

### **BOARD OF DIRECTORS**

Mr. Tanveer Ahmed Magoon	Chairman
Mr. Syed Wajih Hassan	Chief Executive Officer
Mr. Nadeem Iqbal	Director
Mr. Pir Muhammad Kalia	Director
Mr. Abdul Razzak Jangda	Director
Mr. Habib Ahmed Navaid	Independent Director
Mr. Humayun Mazhar Qureshi	Independent Director
Mr. Khalid Rehman	Independent Director

### **AUDIT COMMITTEE**

Mr. Humayun Mazhar Qureshi	Chairman
Mr. Pir Muhammad Kalia	Member
Mr. Nadeem Iqbal	Member

### **HUMAN RESOURCE COMMITTEE**

Mr. Khalid Rehman	Chairman
Mr. Tanveer Ahmed Magoon	Member
Mr. Nadeem Iqbal	Member
Mr. Syed Wajih Hassan	Member

### **CHIEF FINANCIAL OFFICER / COMPANY SECRETARY**

Mr. Ammad Jamal

### **SHARIAH ADVISOR**

Mufti Muhammad Farhan Farooq

### **SHARIAH CONSULTANT**

Mufti Muhammad Najeeb Khan

### **CREDIT RATING**

Long term BBB  
 Short Term A-3  
 Out Look Stable  
 By JCR Credit Rating Company

### **AUDITORS OF THE MODARABA**

M/s Deloitte Yousuf Adil  
 Chartered Accountants

### **AUDITORS OF THE MODARABA MANAGEMENT COMPANY**

M/s Rahim Jan & Co.  
 Chartered Accountants

### **LEGAL ADVISOR**

M/s Raja Qasit Nawaz, Advocates



*First Paramount Modaraba*  
(An Islamic Financial Institution)

**BANKERS**

Meezan Bank Limited  
Bank Islami Pakistan Limited  
Al Baraka Bank (Pakistan) Limited  
Habib Metropolitan Bank Limited -Islamic Banking  
Habib Bank Limited

**REGISTERED OFFICE**

Suit # 107, 108, 1st Floor, P.E.C.H.S. Community Office Complex,  
Block-2 PECHS, Shahrah-e-Quaiden, Karachi.  
Phone: 34381037-38-52 & 34381101. Fax: 34534410  
E-mail: [fpm@cyber.net.pk](mailto:fpm@cyber.net.pk) and [info@fpm.com.pk](mailto:info@fpm.com.pk)  
Web: [www.fpm.com.pk](http://www.fpm.com.pk)

**SHARE REGISTRAR**

THK ASSOCIATES (PVT) LTD.  
1<sup>ST</sup> Floor, 40-C, Block-6, PECHS,  
Karachi - 75400. P.O. Box No. 8533.  
Tel: 111-000-322 Fax: 34168271  
Web: [www.thk.com.pk](http://www.thk.com.pk)  
Email: [sfc@thk.com.pk](mailto:sfc@thk.com.pk)

## **DIRECTORS REPORT TO THE CERTIFICATE-HOLDERS - 2019**

The Directors of Paramount Investments Limited, the management Company of First Paramount Modaraba, hereby present the unaudited financial statements for the period ended on 30<sup>th</sup> September, 2019 along with Shari'ah Advisor's report thereon.

Overall profits for the first quarter of the financial year 2019-20 stood at PKR 646,386/- (EPS =0.05). This is higher by (400%) when compared to Modaraba's financial achievements for the same period last year, which is PKR 182,469/- (EPS-0.01).

Modaraba is going through a price adjustment phase in its Morabaha Finance. This will substantially be addressed in the next two quarters. Similarly, Modaraba's investment in its Musharka projects is likely to yield in the coming quarters – as income from Musharkas is recognized only when these are actually earned.

Alhamdulillah, in house ventures of the Modaraba i.e. 'FPM Petro Services' and 'FPM Solutions', are contributing into the profits of the Modaraba.

Considering the above facts, Management of the Modaraba is confident that the current financial year shall InshAllah witness a considerable increase in overall profitability of the Modaraba.

### **Acknowledgement:**

Management of the Modaraba and the Board of Director recognize the continual patronage and cooperation of the regulators. especially of the offices of Registrar Modaraba, Security Exchange Commission of Pakistan, Islamabad and State Bank of Pakistan.

Management also appreciates hard-work and dedication of the staff members of Modaraba.

Karachi.

Date: 28 October 2019

For and on behalf of Board of Directors of  
Paramount Investments Limited (PIL)  
Managers of First Paramount Modaraba  
S/d

**Syed Wajih Hassan**  
(Chief Executive Officer)

### **Shariah Advisor's Report**

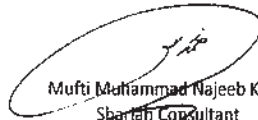
I have conducted the Shariah review of First Paramount Modaraba managed by Paramount Investments Limited Modaraba Company for the quarter ended September 30<sup>th</sup> 2019, in accordance with the requirements as reported hereunder, in my opinion:

1. The Modaraba has introduced a mechanism which has strengthened the Shariah compliance in letter and spirit and the systems, procedures and policies adopted by the Modaraba are in line with the Shariah principles.
2. The agreement(s) entered into by the Modaraba are Shariah compliant and the financing agreement(s) have been executed on the formats as approved by the Religious Board and all the related conditions have been met.
3. To the best of my information and according to the explanations given to me, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shariah requirements as well as the requirements of the Prospectus, Islamic Financial Accounting Standards as applicable in Pakistan and the Shariah Compliance and Shariah Audit Regulations for Modaraba's.
4. Profit sharing ratios, profits and charging of losses (if any) relating to any deposit raising product conforms to the basis and principles of Shariah.

Dated: October 24, 2019



Mufti Muhammad Farhan Farooq  
Shariah Advisor  
of First Paramount Modaraba  
Managed By Paramount Investments Limited



Mufti Muhammad Najeeb Khan  
Shariah Consultant  
of First Paramount Modaraba  
Managed By Paramount Investments Limited

**FIRST PARAMOUNT MODARABA  
BALANCE SHEET  
AS AT SEPTEMBER 30, 2019**

	Sept 30, 2019	June 30, 2019
Note	----- (Rupees) -----	
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Fixed assets	3. 18,360,431	18,753,478
Murabaha financing	4. 59,084,408	68,893,341
Diminishing musharaka financing	6. 17,853,526	12,147,223
Musharaka financing	39,901,375	45,460,375
Loans to employees	1,508,177	1,189,000
Long-term deposits	442,319	442,319
	<u>137,150,236</u>	<u>146,885,736</u>
<b>CURRENT ASSETS</b>		
Stores and spares	1,394,895	1,771,015
Trade debts	96,364,732	101,354,322
Advances, deposits, prepayments and other receivables	31,935,205	29,950,235
Modaraba financing	10,994,532	10,994,532
Short-term murabaha receivables	5. 9,361,647	10,151,669
Current portion of long-term murabaha financing	4. 76,368,155	89,059,262
Current portion of long-term diminishing musharaka financing	6. 12,142,317	8,264,830
Current portion of musharaka financing	5,504,470	5,504,470
Current portion of loans to employees	742,162	585,338
Receivable against sale of Weaving Segment	1,145,000	1,245,000
Advances against murabaha	1,000,000	-
Accrued profit	11,637,703	11,712,744
Advance income tax	32,419,059	29,462,226
Cash and bank balances	23,900,656	20,002,719
	<u>314,910,533</u>	<u>320,058,362</u>
	<u>452,060,769</u>	<u>466,944,098</u>
<b>CAPITAL AND RESERVES</b>		
Authorised Certificate capital 25,000,000 (2019: 25,000,000) certificates of Rs.10 each	<u>250,000,000</u>	<u>250,000,000</u>
Issued, subscribed and paid-up	137,884,193	137,884,193
Capital reserves	49,804,137	49,804,137
Unappropriated profit	14,743,799	27,885,832
	<u>202,432,129</u>	<u>215,574,162</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred income	12,743,907	14,921,700
Certificates of musharaka	7. 127,548,711	120,481,361
	<u>140,292,618</u>	<u>135,403,061</u>
<b>CURRENT LIABILITIES</b>		
Creditors, accrued and other liabilities	10,278,031	31,112,581
Current portion of deferred income	14,221,618	16,651,141
Current portion of certificates of musharaka	7. 54,663,733	51,776,200
Unclaimed profit distributions	30,172,640	16,426,953
	<u>109,336,022</u>	<u>115,966,875</u>
	<u>452,060,769</u>	<u>466,944,098</u>

The annexed noted form 1 to 10 form an integral part of these financial statements.

Chief Executive

Director

Director

**FIRST PARAMOUNT MODARABA  
PROFIT AND LOSS ACCOUNT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Note	Sep 30, 2019 ———— (Rupees) ————	Sep 30, 2018 ————
<b><u>Continuing Operation</u></b>			
Operating income	8.	66,442,047	44,851,380
<b>Operating costs</b>			
Operating expenses		61,974,198	42,113,190
(Reversal) / provision for doubtful recoveries		(43,450)	(753)
		(61,930,748)	(42,112,437)
		4,511,299	2,738,943
Other income		180,051	203,908
Financial charges		(3,947,745)	(2,732,938)
		743,605	209,913
Modaraba company's management fee inclusive of sales tax		(84,027)	(23,720)
<b>Profit before tax from continuing operation</b>		659,578	186,193
Provision for Workers' Welfare Fund		(13,192)	(3,724)
<b>Profit before taxation</b>		646,386	182,469
Taxation		-	-
<b>Net profit after taxation</b>		646,386	182,469
<b>Earnings / (loss) per certificate - basic and diluted</b>		0.05	0.01

The annexed noted form 1 to 10 form an integral part of these financial statements.

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director



*First Paramount Modaraba*  
(An Islamic Financial Institution)

**FIRST PARAMOUNT MODARABA  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Sep 30, 2019	Sep 30, 2018
	———— (Rupees) ————	
Profit for the Quarter	646,386	182,469
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u><u>646,386</u></u>	<u><u>182,469</u></u>

The annexed noted form 1 to 10 form an integral part of these financial statements.

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**FIRST PARAMOUNT MODARABA  
CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	Sep 30, 2019	Sep 30, 2018
	(Rupees)	
Profit before tax	646,386	182,469
<b>Adjustments for:</b>		
Depreciation	259,015	428,409
Amortisation	91,891	49,088
Provision for Workers' Welfare Fund	13,192	3,724
Financial charges	3,947,745	2,732,938
(Reversal) / provision for doubtful recoveries	(43,450)	(753)
Operating profit before working capital changes	<u>4,914,779</u>	<u>3,395,875</u>
<b>(Increase) / decrease in assets</b>		
Murabaha receivables - net	23,333,512	8,036,302
Diminishing musharaka receivables - net	(9,583,790)	1,060,014
Musharaka financing - net	5,559,000	9,968,000
Stores and spares	376,120	372,128
Trade debts	4,989,590	20,365,183
Loan to employees	(476,001)	213,999
Advance against murabaha	(1,000,000)	(6,400,000)
Advances, deposit, prepayments and other receivables	(1,937,829)	237,766
Accrued profit	75,041	(535,980)
Receivable against sale of weaving unit	100,000	-
<b>Increase / (decrease) in liabilities</b>		
Creditors, accrued and other liabilities	(20,847,742)	(7,385,204)
Net cash generated from operations	<u>5,502,680</u>	<u>29,328,083</u>
Income tax paid	(2,956,833)	(2,684,237)
Financial charges paid	(3,947,745)	(2,732,938)
<b>Net cash generated from operating activities</b>	<u>(1,401,898)</u>	<u>23,910,908</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(5,000)	(15,800)
Purchase of intangible assets	-	(21,176)
<b>Net cash (used in) / generated from investing activities</b>	<u>(5,000)</u>	<u>(36,976)</u>
<b>Cash flows from financing activities</b>		
Certificate of Musharika - net	9,954,883	8,350,000
Deferred Income	(4,607,316)	1,469,618
Profit distributed	(42,732)	(17,033)
<b>Net cash used in financing activities</b>	<u>5,304,835</u>	<u>9,802,585</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>3,897,937</u>	<u>33,676,517</u>
<b>Cash and cash equivalents at beginning of the year</b>	<u>20,002,719</u>	<u>25,579,076</u>
<b>Cash and cash equivalents at end of the quarter</b>	<u><u>23,900,656</u></u>	<u><u>59,255,593</u></u>

The annexed noted form 1 to 10 form an integral part of these financial statements.

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**FIRST PARAMOUNT MODARABA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

Certificate Capital	Capital reserve		Reserves		Total Reserve	Total equity
	Merger reserve	Statutory reserve	Revenue reserve	Unappropriated profit		
(Rupees)						
Balance as at July 01, 2018	137,884,193	1,935,160	45,451,957	27,869,648	75,256,765	213,140,958
<b>Transactions with owners recorded directly in equity:</b>						
Profit distribution for the year ended June 30, 2018 @ Rs.0.70 per certificate	-	-	-	(9,651,894)	(9,651,894)	(9,651,894)
Transferred to Statutory reserve @20%	-	-	2,417,020	(2,417,020)	-	-
<b>Total comprehensive income for the year ended June 30, 2019</b>						
Profit for the year	-	-	-	12,085,098	12,085,098	12,085,098
Other comprehensive income	-	-	-	-	-	-
				12,085,098	12,085,098	12,085,098
Balance as at June 30, 2019	<u>137,884,193</u>	<u>1,935,160</u>	<u>47,868,977</u>	<u>27,885,832</u>	<u>77,689,969</u>	<u>215,574,162</u>
<b>Transactions with owners recorded directly in equity:</b>						
Profit distribution for the year ended June 30, 2019 @ Rs.1.00 per certificate	-	-	-	(13,788,419)	(13,788,419)	(13,788,419.30)
<b>Total comprehensive income for the period ended September 30, 2019</b>						
Profit for the three months period	-	-	-	646,386	646,386	646,385,71
Other comprehensive income	-	-	-	-	-	-
				646,386	646,386	646,385,71
Balance as at September 30, 2019	<u>137,884,193</u>	<u>1,935,160</u>	<u>47,868,977</u>	<u>14,743,799</u>	<u>64,547,936</u>	<u>202,432,129</u>

The annexed noted form 1 to 10 form an integral part of these financial statements.

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**FIRST PARAMOUNT MODARABA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

**1. LEGAL STATUS AND OPERATIONS**

First Paramount Modaraba (the Modaraba) is a multi purpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed there under and is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on June 26, 1994. The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at Karachi, in the province of Sindh. The modaraba has a branch office situated in Islamabad, in the province of Punjab. Modaraba's principal activities include deployment of funds on murabaha, modaraba and musharaka arrangements and its in-house ventures are (a) Generator rental and sale project under the name "AL-BURQ Associates", (b) Electrical maintenance and troubleshooting services under the name of "FPM Solutions" and (c) Chemical business under the name of "FPM Petro Services" (d) Engineering products and solutions to upstream service companies under the name of " FPM Geo Dynamics International".

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the requirements of the 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 (the Modaraba Regulations) together with approved accounting standards as applicable in Pakistan to Modarabas, Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas. Wherever the requirements of the Modaraba Regulations differ from the requirements of these standards, the requirements of the Modaraba Regulations take precedence.

The SECP, Special Compliance Division, vide Circular no. 10 of 2004 dated February 13, 2004 deferred the application of IAS 17 'Leases' to Modarabas till further orders.

**2.2 Basis of measurement**

These financial statements have been prepared on the historical cost basis.

Permissible Islamic financial products including murabaha, musharaka and modaraba have been used by the Modaraba. In line with the similar industry practices, the accounting and presentation of the same are in line with the substance of the transactions and their accounting is limited to the extent of actual amount of facility utilized and mutually agreed profit thereon. Accordingly, purchases, sales and musharaka profits / reserves are not reflected in these financial statements.

These financial statements have been prepared on accrual basis of accounting except for cash flow statement.

**2.3 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees, which is the Modaraba's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, except otherwise stated.

**2.4 Significant accounting estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and areas where judgments were made by the management in the application of accounting policies are discussed in the following notes:

- i) Provision for doubtful recoveries.
- ii) Estimation of useful lives of tangible and intangible assets.
- iii) Provision for taxation.

	Sep 30, 2019	June 30, 2019
	----- (Rupees) -----	
<b>3. FIXED ASSETS</b>		
Tangible	17,227,104	17,493,259
Intangible	<u>1,133,327</u>	<u>1,260,219</u>
	<u>18,360,431</u>	<u>18,753,478</u>

**3.1. ADDITIONS & DISPOSALS MADE DURING THE PERIOD**

	Sept 30, 2019	June 30, 2019
	----- (Rupees) -----	
<b>Additions during the period</b>		
Office and other Equipment	5,000	20,950
Computer	-	7,000
	<u>5,000</u>	<u>27,950</u>
<b>Disposals during the period</b>		
Generators	-	(2,559,426)
vehicles	-	(689,665)
	<u>-</u>	<u>(3,249,091)</u>

**4. MURABAHA FINANCING - secured**

	Sep 30, 2019	June 30, 2019
	----- (Rupees) -----	
Considered good	135,452,563	157,952,603
Considered doubtful	2,247,705	2,291,155
	<u>137,700,268</u>	<u>160,243,758</u>
Provision for doubtful recoveries	(2,247,705)	(2,291,155)
	<u>135,452,563</u>	<u>157,952,603</u>
Current portion of long-term murabaha financing	(76,368,155)	(89,059,262)
	<u>59,084,408</u>	<u>68,893,341</u>

**5. SHORT-TERM MURABAHA RECEIVABLES - secured**

	Sep 30, 2019	June 30, 2019
	----- (Rupees) -----	
Considered good	9,361,647	10,151,669
Considered doubtful	-	-
	<u>9,361,647</u>	<u>10,151,669</u>
Provision for doubtful recoveries	-	-
	<u>9,361,647</u>	<u>10,151,669</u>

**6. DIMINISHING MUSHARAKA FINANCING - secured**

	Sep 30, 2019	June 30, 2019
	----- (Rupees) -----	
Considered good	29,995,843	20,412,053
Current portion of long-term diminishing musharaka financing	(12,142,317)	(8,264,830)
	<u>17,853,526</u>	<u>12,147,223</u>

**7. CERTIFICATES OF MUSHARAKA**

	Sep 30, 2019	June 30, 2019
	----- (Rupees) -----	
Opening balance	172,257,561	168,869,589
Issuance	13,950,000	44,725,000
Redemptions	(4,200,000)	(42,040,000)
Profit accrued	3,946,795	12,839,236
Profit paid	(3,741,912)	(12,136,264)
	<u>182,212,444</u>	<u>172,257,561</u>
Less: Current portion certificates of musharaka	(54,663,733)	(51,776,200)
	<u>127,548,711</u>	<u>120,481,361</u>

	Sep 30, 2019	Sep 30, 2018
<b>8. OPERATING INCOME</b>	----- (Rupees) -----	
Profit on murabaha receivables	5,394,069	5,978,904
Profit on diminishing musharaka	777,206	387,297
Profit on musharaka projects	349,000	329,911
Income from dry batteries modaraba	-	142,906
Income from FPM Solutions	8.1 1,376,017	657,833
Income from FPM Petro Income	8.2 58,545,755	37,354,529
	<u>66,442,047</u>	<u>44,851,380</u>

8.1 This represents income generated from Project Power solution business of FPM Solutions representing Modaraba's share on proportionate basis. This also includes income from Service Level Agreements (SLA) entered into by FPM Solutions with various clients to provide services in respect of stand by generators, UPS and other power back up solutions.

8.2 This represents income generated from chemical business of FPM Petro Services. The Modaraba's share of income is 60%.

#### 9. TAXATION

##### *Current*

Clause 100 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 provides exemption from tax of any income, not being income of trading activity derived by a Modaraba, if not less than ninety percent of its total profits in a year, as reduced by the amount transferred to mandatory reserve under the provisions of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 is distributed to the certificate holders. The Management Company has distributed sufficient accounting income of the Modaraba (subsequent to reporting date, see note 36) for the year ended June 30, 2019 which meets the requirement of above stated clause. Further, taxable income from trading activity is taxable under Clause 18, Part II of Second Schedule of the Income Tax Ordinance, 2001, however, considering the taxable loss from the trading activity, no provision has been made in these financial statements. Further, Modaraba are also exempt from minimum tax under section 113 of the Income Tax Ordinance, 2001.

##### *Deferred*

Income of modaraba enjoys tax exemption subject to distribution of 90% its profits in the year, therefore no deferred tax has been booked in these financial statements.

#### 10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 28th October 2019.

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director








\_\_\_\_\_  
Director










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