

Modaraba Al-Mali

Managed by:

BankIslami Modaraba Investments Ltd.



**First Quarter Report
September 30, 2021
(Un-audited)**

10th Floor, Progressive Square, Opposite Nursery, Shahrah-e-Faisal, Karachi.
Phone : (92-21) 34547521-5 Fax : (92-21) 34547526

Modaraba Al-Mali

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CORPORATE INFORMATION

Board of Directors	Mr. Abdul Qadir Memon	Chairman
	Mr. Attique Ahmed Khan	Director
	Mr. Aftab Ahmed Chaudhry	Director/ Chief Executive
	Mr. Amir Zia	Director
	Mr. Hussain Ahmed Ozgen	Director
	Ms. Huma Ejaz	Director
	Mr. Usman Hassan	Director
Audit Committee	Ms. Huma Ejaz	Chairman
	Mr. Amir Zia	Member
	Mr. Usman Hassan	Member
HR & Remuneration Committee	Mr. Hussain Ahmed Ozgen	Chairman
	Mr. Amir Zia	Member
	Ms. Huma Ejaz	Member
Risk Committee	Mr. Usman Hassan	Chairman
	Mr. Hussain Ahmed Ozgen	Member
	Ms. Huma Ejaz	Member
Nomination Committee	Mr. Abdul Qadir Memon	Chairman
	Mr. Amir Zia	Member
	Ms. Aftab Ahmed Chaudhry	Member
Management Team	Mr. Aftab Ahmed Chaudhry	Chief Executive
	Mr. Rashid Matin Khan	CFO / Company Secretary
Legal Advisor & Consultant to the Merger	Bawany & Partners	
	Mohsin Tayebaly & Co.-Advocate & Legal Consultants	
Bankers & Financers	BankIslami Pakistan Limited	
	Bank Al-Falah Limited	
	Duabi Islamic Bank Limited	
	Meezan Bank Limited	
Registrar & Share Registration Office	F.D Registrar Services (Pvt.) Limited	
	Saima Trad Tower A 17th Floor	
	I.I.Chundrigar Road Karachi	
Registered Office	10th Floor, Progressive Square	
	Opposite Nursery, Shahra-e- Faisal, Karachi	
	Phone: 4547521-5 Fax: 4547526	
	E-mail: info@modarabaalmali.com	
	URL: http://www.modarabaalmali.com	

Directors' Review

On behalf of the Board of Directors of Assetplex Modaraba Investment Limited (formerly BankIslami Modaraba Investments Limited) we are pleased to present first quarterly report of Modaraba Al-Mali together with un-audited accounts for 1st quarter of Financial 2021-2022.

Modaraba is multipurpose for indefinite period can revamp and reposition itself into emerging fields and can create value to the certificate-holders.

Modaraba is currently engaged in the business of Leasing/Ijarah, Murabaha, Musharaka Financing and operations of gas stations. Management of the Modaraba has decided to change the business of the Modaraba as follows:

Discontinuance of Existing Businesses:

1. Discontinuance of lending business (in Ijarah, Murabah, Musharak and any other mode of Financing). Efforts will be made for the recovery of the outstanding balances;
2. Disposal of property/business of Gas Station;
3. Disposal of leasehold offices/premises in Karachi;

Repositioning into New Businesses:

1. Launching IPO Support Fund;
2. Re-focusing the business of Modaraba to Venture Capital;
3. Underwriting and Business Revival Activities;
4. Strategic Equity Investments in Financial Services entity;
5. Investment in Chemical Business;

Modaraba is repositioning itself into manufacturing (chemical business), services (underwriting, financial consultancy, and financial services), venture capital and technology businesses. These investment will either be taken directly in the Modaraba or as a strategic equity investments in other legal entities, provided they are Shariah compliant. Modaraba shall also seek collaboration and technical partners, if required, to implement its repositioning/diversification stratagem.

Board of Directors of Modaraba has announced 331% Right Issue in their Meeting held on September 13, 2021.

1. Modaraba will raise funds through right issue as follows:

Certificates Outstanding	Nos.	15,754,800
Right Issue	%	331%
Right Price	Rs./Share	10.00
Shares to be Issue against Right	Nos.	61,000,000
Right Proceeds	Rs.	610,000,000

2. Utilization of Proceeds will be as follows:**Utilization of Proceeds**

Chemical Business	Rs.	500,000,000
IPO Support Fund	Rs.	100,000,000
Underwriting and Business Revival Activities	Rs.	100,000,000
Working Capital/ Internal Generation	Rs.	(90,000,000)
		610,000,000

Dividend

Board of directors of Assetplex Modaraba Management Limited (formerly BankIslami Modaraba Investments Limited) a Management Company of Modaraba Al-Mali in their meeting held on October 04, 2021 has declared a Final Cash Dividend for the year ended June 30, 2021 at Rs. 0.37 per certificate i.e. 3.7%. The Above entitlement will be paid to the Certificate Holders whose name will appear in the Registrar of Modaraba on **October 21, 2021**.

Acknowledgements

We wish to place on record gratitude to our valued customers for their confidence in our services and we pledge ourselves to provide them the best quality by continuously improving our services. We would also like to thank all our colleagues, management and other staff who are strongly committed to their work as the success of your Modaraba is built around their efforts. We also thank our certificate-holders for their confidence in the Modaraba and assure them that we are committed to do our best to ensure best rewards for their investment in the Modaraba.

Aftab Ahamd Chaudhary
Chief Executive Director/

Dated: October 25, 2021
Karachi

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)*As at September 30, 2021*

		Unaudited September 30, 2021	Audited June 30, 2021
	Note	(Rupees)	
ASSETS			
Current assets			
Cash and bank balances	5	30,235,534	53,350,982
Ijarah finance	6	3,755,007	3,755,007
Murabaha finance	7	-	-
Current portion of Diminishing musharaka		2,651,226	3,855,624
Receivable against ijarah rentals and maintenance service	8	-	-
Investments		60,149,275	1,364,300
Advances, deposits, prepayments, other assets and receivables	9	10,695,284	32,190,982
Tax refunds due from government		25,713,963	27,359,468
Inventory		1,757,100	2,280,388
		134,957,389	124,156,751
Non-current assets			
Long-term portion of Diminishing musharaka		277,834	334,552
Investment Property-at fair value		96,616,000	96,616,000
Property and equipment	10	68,161,495	68,284,637
		165,055,329	165,235,189
Total assets		300,012,718	289,391,940
LIABILITIES			
Current liabilities			
Creditors, accrued and other liabilities		6,688,249	6,223,746
Current portion of security deposits		3,762,138	3,762,138
Unclaimed profit distribution		9,487,603	9,649,240
Dividend payable-2021 year		6,816,860	-
		26,754,850	19,635,124
Non-current liabilities			
Security deposits		130,000	115,000
		130,000	115,000
Total liabilities		26,884,850	19,750,124
NET ASSETS		273,127,868	269,641,816
REPRESENTED BY: CAPITAL AND RESERVES			
Authorised certificate capital			
30,000,000 Modaraba certificates of Rs.10 each		800,000,000	300,000,000
Issued, subscribed and paid-up certificate capital		184,239,450	184,239,450
Capital reserves		140,686,223	140,686,223
Revenue reserve		(51,797,805)	(55,283,857)
		273,127,868	269,641,816

CONTINGENCIES AND COMMITMENTS

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The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Modaraba Management Limited
(formerly BankIslami Modaraba Investments Limited)
(Modaraba Management Company)

Chief Financial Officer

Chief Executive

Director

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the quarter ended September 30, 2021

		September 30, 2021	September 30, 2020
Note		(Rupees)	
Income from operation of a fuel station	12	2,410,941	2,775,697
Income on term deposits with Islamic bank		-	933,631
Income on deposits with Islamic bank		127,962	164,493
Income on diminishing musharaka transactions		63,018	400,823
Rental Income		2,113,554	1,921,413
		<u>4,715,475</u>	<u>6,196,057</u>
Expenses on fuel station operations	12	(1,581,089)	(1,500,013)
		<u>3,134,386</u>	<u>4,696,044</u>
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss-net		17,718,008	-
Administrative and operating expenses	13	(8,016,402)	(1,730,172)
		<u>12,835,992</u>	<u>2,965,872</u>
Modaraba Management Company's remuneration		-	-
Provision for services sales tax on management company's remuneration		(1,797)	(415)
Provision for Workers' Welfare Fund	14	(251,624)	(58,146)
Profit or the quarter before taxation		12,582,571	2,907,311
Taxation	15	(2,279,659)	(212,366)
Profit for the quarter after taxation		10,302,912	2,694,945
Other comprehensive income for the period		-	-
Total comprehensive income for the period		10,302,912	2,694,945
Earnings per certificate - basic & diluted		0.683	0.158

The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Modaraba Management Limited
(formerly BankIslami Modaraba Investments Limited)
(Modaraba Management Company)

Chief Financial Officer

Chief Executive

Director

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the quarter ended September 30, 2021

	Note	September 30, 2021	September 30, 2020
		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the quarter before taxation		12,582,571	2,907,311
Adjustments for non-cash charges and other items:			
Depreciation on fixed assets in own use		123,142	131,581
		<u>123,142</u>	<u>131,581</u>
		12,705,713	3,038,892
(Increase) / decrease in assets			
Receivable against ijarah rentals and maintenance service		-	12,647,513
Advances, deposits, prepayments and other receivable		21,495,698	(2,500,271)
Diminshing Musharaka		1,261,116	1,528,900
Inventory		523,288	560,603
		<u>23,280,102</u>	<u>12,236,745</u>
Increase / (decrease) in current liabilities			
Creditors, accrued and other liabilities		464,503	(236,854)
Security deposits		15,000	(4,064,000)
		<u>479,503</u>	<u>(4,300,854)</u>
Cash generated from operations		36,465,318	10,974,783
Income taxes paid		(634,154)	(656,626)
Net cash (used) / generated from operating activities		<u>35,831,164</u>	<u>10,318,157</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment purchased during the year		(58,946,612)	4,064,000
Net cash generated from investing activities		<u>(58,946,612)</u>	<u>4,064,000</u>
Net (decrease) / increase in cash and cash equivalents		(23,115,448)	14,382,157
Cash and cash equivalents at the beginning of the period		53,350,982	64,479,573
Cash and cash equivalents at the end of the period	5	<u>30,235,534</u>	<u>78,861,730</u>

The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Modaraba Management Limited
(formerly BankIslami Modaraba Investments Limited)
(Modaraba Management Company)

Chief Financial Officer

Chief Executive

Director

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter ended September 30, 2021

	Capital reserves			Revenue reserves			
	Paid-up certificate capital	Premium on issue of certificates	Statutory reserve	Surplus on revaluation of Investment Property	Accumulated Losses	Total Reserves	Total equity
	(Rupees)						
Balance as at July 01, 2020	184,239,450	511,409	66,885,417	66,532,230	(69,408,837)	64,520,219	248,759,669
Comprehensive Income							
Final cash dividend of Re. 0.70 per certificate for the year ended June 30, 2020	-	-	-	-	(12,896,762)	(12,896,762)	(12,896,762)
Profit for the period ended June 30, 2021					33,785,837	33,785,837	33,785,837
Other comprehensive profit/(loss) for the year for the year ended June 30, 2021	-	-	-	-	(6,928)	(6,928)	(6,928)
Transfer to statutory reserve	-	-	6,757,167	-	(6,757,167)	-	-
Balance as at June 30, 2020	-	-	6,757,167	-	14,124,980	20,882,147	20,882,147
Balance as at June 30, 2021	184,239,450	511,409	73,642,584	66,532,230	(55,283,857)	85,402,366	269,641,816
Balance as at July 01, 2021	184,239,450	511,409	73,642,584	66,532,230	(55,283,857)	85,402,366	269,641,816
Comprehensive Income							
Profit for the quarter ended September 30, 2021	-	-	-	-	10,302,912	10,302,912	10,302,912
Final cash dividend of Re. 0.37 per certificate for the year ended June 30, 2021	-	-	-	-	(6,816,860)	(6,816,860)	(6,816,860)
Transfer to statutory reserve	-	-	-	-	-	-	-
Balance as at September 30, 2021	184,239,450	511,409	73,642,584	66,532,230	(51,797,805)	(6,816,860)	273,127,868

Statutory reserve represents profit set aside to comply with the Prudential Regulations for Modarabas issued by the SECP. These regulations require the Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that reserves equals 100% of the paid up capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred.

The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Modaraba Management Limited
(formerly BankIslami Modaraba Investments Limited)
(Modaraba Management Company)

Chief Financial Officer

Chief Executive

Director

Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the quarter ended September 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Modaraba Al-Mali (the "Modaraba") is a multipurpose and perpetual Modaraba floated in Pakistan on July 8, 1987 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 ("Modaraba Ordinance, 1980"), and Modaraba Companies and Modaraba Rules, 1981 (Modaraba Rules, 1981) and is managed by BankIslami Modaraba Investments Limited (the "Management Company"), a company registered under the repealed Companies Ordinance, 1984 now Companies Act, 2017. The name of the Modaraba Management Company has been changed to AssetPlex Modaraba Management Limited with effect from August 10, 2021. The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the management company is situated at 10th Floor, Progressive Square, Shakra-e-Faisal, Karachi, in the province of Sindh. The Modaraba also owns a fuel station located on Gulshan-e-Maymar, Super Highway, Karachi.

The Modaraba is engaged in the business of Leasing / Ijarah, Murabaha, Musharaka Financing and operation of petrol and diesel filling / service station. BankIslami Pakistan Limited has disposed off its ownership stake in the management company which has now been acquired by a new group. Upon transfer to the new management, Modaraba's focus has been changed from Islamic financing modaraba to undertaking Islamic venture capital, private equity and corporate & financial restructuring / rehabilitation transactions of potentially viable companies through resource mobilization.

Pakistan Credit Rating Agency (PACRA) has maintained long term entity rating of BBB+ and short term rating of A2, of the Modaraba.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017;
- Requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and Modaraba Companies and Modaraba Rules, 1981;
- Provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, IFAS, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the SECP differ from the Companies Act and IFRS Standards, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, IFASs, Modaraba Companies and Modaraba Rules, 1981, or the provisions of and directives issued by the SECP under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information required for a full set of financial statements and should be read in conjunction with the annual published financial statements of the Modaraba for the year ended June 30, 2021.

2.2 Functional and presentation currency

This condensed interim financial information has been presented in Pakistani Rupees, which is the functional and presentational currency of the Modaraba.

2.3 Applicability of International Accounting Standard (IAS) 17 'Leases' and Islamic Financial Accounting Standard (IFAS) 2 'Ijarah'

2.3.1 SECP vide its circular No. 10 of 2004 dated February 13, 2004 had deferred, till further orders, the applicability of International Accounting Standard (IAS) 17 "Leases" on modarabas with effect from July 1, 2003 and advised the management companies of modarabas that they may continue to prepare the financial statements of the modarabas without applying the requirements of IAS 17 to the modarabas. Currently, lease transactions (both for assets given and assets obtained) are being accounted for in accordance with the requirements of IFAS 2 as explained in note 2.3.2.

2.3.2 Islamic Financial Accounting Standard (IFAS) 2 'Ijarah' issued by the Institute of Chartered Accountants of Pakistan was adopted by the SECP vide SRO 431(1)/ 2007 dated May 5, 2007. Under the above IFAS 2, the Ijarah transactions are accounted for in the following manner:

- Muj'ir (lessor) presents assets subject to Ijarah in their balance sheet according to the nature of the asset, distinguished from the assets in own use.
- Costs, including depreciation on the assets given on Ijarah, incurred in earning the Ijarah income are recognised as expense.
- Ijarah income is recognised 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.

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SECP, vide its letter No. SC/ M/ RW/ SCM /2009 dated March 9, 2009, allowed that in case of Modarabas, IFAS 2 shall be applied for Ijarah transactions executed on or after July 1, 2008. Accordingly, the Modaraba has accounted for leasing transactions executed before July 01, 2008 as finance leases and has treated the leasing transactions executed on or after July 01, 2008 in accordance with the requirements of IFAS 2.

3. CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

3.1 The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Modaraba for the year ended June 30, 2021.

3.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Modaraba's accounting periods beginning on or after June 1, 2021 but are considered not to be relevant or do not have any significant effect on the Modaraba's operations and are therefore not detailed in this condensed interim financial information.

3.3 The preparation of this condensed interim financial information requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. 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.

3.4 The significant judgments made by the management in applying the Modaraba's accounting policies and key sources of estimation uncertainty were the same as those that were applied to the annual published financial statements for the year ended June 30, 2021.

4. RISK MANAGEMENT POLICIES

The financial risk management objectives and policies are consistent with those disclosed in the annual published financial statements of the Modaraba for the year ended June 30, 2021.

	Note	Un-audited September 30, 2021	Audited June 30, 2021
5. CASH AND BANK BALANCES			
------(Rupees)-----			
Balances with banks in:			
- profit and loss sharing accounts	5.1	26,839,913	34,893,707
- term deposit accounts	5.2	-	15,000,000
- current accounts		2,850,111	2,850,111
		29,690,024	52,743,818
Balances with State Bank of Pakistan		14,191	14,191
		29,704,215	52,758,009
Cash in hand		531,319	592,973
		30,235,534	53,350,982

5.1 These accounts carry profit at rates ranging from 1.95% to 5.52% (June 30, 2021: 1.95% to 5.52%) per annum.

6. IJARAH FINANCE

Ijarah contracts commencing up to June 30, 2008

- accounted for as finance leases

Minimum lease payments due		40,480,939	40,480,939
Residual value of leased assets		3,755,007	3,755,007
Total receivable		44,235,946	44,235,946
Suspended lease income		(7,491,364)	(7,491,364)
Provision for impairment against potential lease losses	6.1	(32,989,575)	(32,989,575)
		(40,480,939)	(40,480,939)
		3,755,007	3,755,007

6.1 These ijarah finances are fully provided and the remaining amount represents amount of security deposits to be adjusted at the time of final settlement.

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	Note	Un-audited September 30, 2021	Audited June 30, 2021
7. MURABAHA			
------(Rupees)-----			
Considered doubtful	7.1	2,517,068	2,517,068
Provision for impairment loss against doubtful recoveries		(2,517,068)	(2,517,068)
		-	-

7.1 These represent amounts receivable against Murabaha transactions i.e. sale of goods on deferred payment basis at a specified profit margin ranging from 10% to 24% per annum. Since the finance is non-performing, no income is accrued on it in accordance with the Prudential Regulations for Modarabas.

8. RECEIVABLE AGAINST IJARAH RENTALS AND MAINTENANCE SERVICES

Considered good

- Ijarah rentals receivable

- -

Considered doubtful

- Ijarah rentals receivable

- -

- Maintenance Fee

8.1 4,275,537 4,275,537

- Ijarah lease rentals of tower and allied equipments

10,194,320 10,194,320

14,469,857 14,469,857

Less: Provision against potential ijarah losses

(14,469,857) (14,469,857)

- -

8.1 This relates to discontinued operations.

9. ADVANCES, DEPOSITS, PREPAYMENTS, OTHER ASSETS AND RECEIVABLES

Considered Good

Advances

- to suppliers

- 863,360

- to employees against salary

- 6,000

- to broker

59,070 7,160,037

Advance against IPO investments

- 21,236,000

Advance against Right Certificates Issuance Financial Advisory Services

4,422,500 -

Receivable-Corporate Rehabilitation Assignment

2,110,958 -

Prepayments

1,014,550 495,255

Defined benefit plan - staff gratuity

1,333,640 1,333,640

Other deposits

40,899 40,899

Rent Receivable

279,734 414,734

Profit receivable

- 405,004

- Others

1,433,933 236,053

10,695,284 32,190,982

Considered doubtful

Other receivables

6,242,260 6,242,260

- Terminated leases

1,188,872 1,188,872

- Miscellaneous amount recoverable from the lessees

16,275 16,275

- Dividend receivable

22,422 22,422

- Receivable from brokers

355,102 355,102

- Receivable against sale of fuel

228,732 228,732

- Others

8,053,663 8,053,663

Provision for impairment loss against doubtful recoveries

(8,053,663) (8,053,663)

10,695,284 32,190,982

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10. PROPERTY AND EQUIPMENT

	Un-audited September 30, 2021	Audited June 30, 2021
	------(Rupees)-----	
Property and equipment - in own use	67,811,495	67,934,637
Towers and allied equipment	350,000	350,000
	<u>68,161,495</u>	<u>68,284,637</u>

11. CONTINGENCIES AND COMMITMENTS

The status of contingencies is same as stated in the financial statements of the Modaraba for the year ended June 30, 2021.

12. PROFIT FROM OPERATIONS OF FUEL STATION

		(Un-audited) Quarter ended	
		September 30, 2021	September 30, 2020
	Note	------(Rupees)-----	
Income			
Sale of fuel	12.1	68,571,152	62,348,568
Cost of sales		(66,582,211)	(60,002,571)
		<u>1,988,941</u>	<u>2,345,997</u>
Rental income		422,000	429,700
	12.2	<u>2,410,941</u>	<u>2,775,697</u>
Expenses			
Salaries and allowances		733,385	692,997
Generator fuel		31,530	46,468
Depreciation		105,570	111,346
Electricity		92,741	95,014
Repairs and maintenance		323,667	167,470
Printing and stationery		4,795	6,400
Security guards		138,600	233,100
Insurance		21,834	27,444
Telephone		6,187	5,845
Rent, rates & taxes		58,162	62,283
Miscellaneous		64,618	51,646
		<u>1,581,089</u>	<u>1,500,013</u>
Profit before taxation		829,852	1,275,684
Taxation		(209,957)	(212,366)
Profit after taxation		<u>619,895</u>	<u>1,063,318</u>

12.1 Income relates to the operation of petrol and diesel filling / service station which was started from October 03, 2010 under a retailer agreement with an oil marketing company (the Company). In accordance with the agreement, the Company has granted the right to the Modaraba to operate the fuel station and deal exclusively in petroleum products of the Company on a predetermined margin.

12.2 The amount represents rent earned in respect of the plot of land used for fuel station under a lease deed dated August 13, 2009 with the oil marketing company. Initial term of the rent agreement is for fifteen years. The amount also includes rental income earned from operation of tuck shop and car wash facility.

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13. ADMINISTRATIVE AND OPERATING EXPENSES

	(Un-audited) Quarter ended	
	September 30, 2021	September 30, 2020
	------(Rupees)-----	
Salaries, allowances and other benefits	949,087	380,530
Rent, rates and taxes	248,646	21,905
Depreciation	17,572	20,235
Fuel and conveyance	37,730	34,782
Repairs and maintenance	96,764	79,247
Legal and professional	5,474,150	447,211
Electricity	61,512	68,753
Telephone	45,472	40,099
Entertainment	16,589	9,408
Insurance	23,859	23,706
Printing and stationery	131,358	123,157
Auditors' remuneration	216,054	161,557
Subscription	118,240	106,773
Registrar services	161,815	42,375
Postage	33,568	27,934
Advertisement	122,400	75,900
Others	261,586	66,600
	<u>8,016,402</u>	<u>1,730,172</u>

14. WORKERS' WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) due to which the Modaraba became liable to pay contribution to the Workers' Welfare Fund (WWF) at the rate of 2% on the higher of the profit before taxation as per the accounts or the return of income.

15. TAXATION

15.1 Provision for current tax made during the quarter primarily represents alternate corporate tax @ 17% and final tax deducted u/s 156A.

16. RELATED PARTY TRANSACTIONS

The related parties comprise of BankIslami Modaraba Investments Limited being the Modaraba management company, BankIslami Pakistan Limited (being the parent company of the management company), major certificate holders and their family members, directors of the Modaraba management company and their close family members, key management personnel of the Modaraba and the management company and their close family members, the provident and gratuity funds and entities with common directors or under common management.

The remuneration of key management employees (executives) are determined in accordance with their terms of appointment. Contribution to the provident and gratuity funds are made in accordance with the services rules and actuarial advise respectively. Modaraba management fee payable in accordance with the provision of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. Other transactions are in accordance with the agreed terms.

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16.1 Details of transactions with related parties during the quarter are as follows:

	(Un-audited) Quarter ended	
BankIslami Pakistan Limited (Ex-Holding company of the management company)	September 30, 2021	September 30, 2020
	----- (Rupees) -----	
Profit on Islamic profit and loss sharing account	-	986,267
Rental income	-	1,921,413
Other transactions		
Contributions to staff provident fund	54,430	21,534
Contributions to employees gratuity fund	2,646	-

16.2 Details of balances with related parties as at period / year end are as follows:

	(Un-audited)	(Audited)
AssetPlex Modaraba Management Limited (formerly BankIslami Modaraba Investments Limited) (Modaraba Management Company)	September 30, 2021	June 30, 2021
	----- (Rupees) -----	
Dividend payable	866,758	-
Receivable against Retainership Fee	123,750	-
Service sales tax on management fees	4,587	2,558

17. GENERAL

The figures in this condensed interim financial information have been rounded off to the nearest Rupee.

18. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue by the Board of Directors of the Modaraba Management Company on October 25, 2021.

For AssetPlex Modaraba Management Limited
(formerly BankIslami Modaraba Investments Limited)
(Modaraba Management Company)

Chief Financial Officer

Chief Executive

Director

Director