

**NBFI & Modaraba**  
Association of Pakistan

# YEAR BOOK 2019

- FINANCIAL INCLUSION
- SME FINANCE
- EMPLOYMENT CREATION
- WOMEN EMPOWERMENT

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Long Term      Short Term  
**AA+**            **A1+**

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## AWARDS / RECOGNITIONS

### BEST PERFORMANCE AWARD

10 awards from NEFHA (Modaraba Association of Pakistan)

### BEST MODARABA MANAGEMENT AWARD

From The Pakistan Observer

### CORPORATE EXCELLENCE AWARD

10 awards from Management Association of Pakistan

### BEST MODARABA MANAGEMENT AWARD

3 awards from COMSATS

### FPCCI ACHIEVEMENT AWARD

2 Achievement Awards 1st Position Gold Medal From FPCCI

### BEST CORPORATE REPORT AWARD

10 awards from ICAP and ICMAAP

### ISLAMIC FINANCE EXCELLENCE AWARD 2019

For Best Islamic Non-Banking Finance Company from 2019 SAIS

### BEST PRESENTED ACCOUNTS & DISCLOSURE AWARD

10 Awards from South Asian Federation of Accountants

(SAFA) and Apex body of SAAPC

### ISLAMIC RETAIL BANKING AWARD

For Best Islamic Retail Product 2017 Certificate of Excellence (Modaraba Retail) From Cambridge Analytica UK United Kingdom

## Prominent Position within the Modaraba Sector

Strong assets base • Highest Rating Band within Modaraba Sector • Unbroken history of payment of dividend to Modaraba Certificate Holders • Secured large number of awards from different prestigious institutions

**Head Office:** 6th Floor, H32 Plaza, (Hiran Center) I.I. Chundrigar Road, Karachi-74200 Tel: 32335949-51 Fax: 32627373

**Islamabad Branch:** Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue Blue Area, Islamabad. Tel: 051-28884671-75 Fax: 051-2694371

**Lahore Branch:** 1st Floor, 5/7 Block, Phase III, Defense Housing Authority, Lahore. Tel: 042-35660074-76 Fax: 042-35333377

**Multan Branch:** Mezzanine Floor, Adali Tower, Abda Road, Multan. Tel: 061-4600121-3 Fax: 061-4633310

UAN: 111-346-346 • E-mail: [hr@habibmodaraba.com](mailto:hr@habibmodaraba.com) • Website: [www.habibmodaraba.com](http://www.habibmodaraba.com)

**HABIBMETRO**  
Modaraba Management

# CONTENTS

1	<b>Vision, Mission, Our Values &amp; Core Objective</b>	6
2	<b>International &amp; Regional Associations</b>	8
3	<b>Association's Secretariat</b>	9
4	<b>Executive Committee Members</b>	12
5	<b>Messages</b>	16
	Prof. Dr. Ishrat Husain	
	Mr. Aamir Khan	
	Mian Anjum Nisar	
	Ms. Bushra Aslam	
	Mr. Ghulam Muhammad Abbasi	
6	<b>Chairman Review</b>	24
7	<b>Secretary General's Report</b>	28
8	<b>Interview</b>	36
	Mr. Muhammad Shoaib Ibrahim	
	Mr. Muhammad Samiullah	
9	<b>Articles</b>	44
10	<b>Sub-Committees</b>	56
11	<b>Events and Activities</b>	60
12	<b>Members Activities and Achievements</b>	78
13	<b>Media Coverage</b>	80
14	<b>Macro Perspective</b>	88
	Sectors performance	
	Statistical Overview	
15	<b>Top Ten Members</b>	98
16	<b>Members at a Glance</b>	102
	Financial Overview	
	Comparative position of payout	
	Market Capitalization	
17	<b>Members Profiles</b>	106
18	<b>Glossary</b>	146
19	<b>Members' Directory</b>	150
20	<b>Advertisement</b>	154



To serve as an effective platform for the members of NBFi and Modaraba sector, to facilitate the growth, profiling and competitive power of NBFi & Modaraba Association members through collective and coordinated efforts



# Mission Statement

To provide effective forum to address common and/or relevant issues, make available necessary support, facilitate to succeed through effective liaison, appropriate counselling, product innovation, research, capacity building and create conducive working environment based on trust, integrity and reliability.



*Our*

V A L U E

- Collaboration
- Fairness
- Responsiveness
- Integrity
- Excellence

## Core Objectives

- To represent, profile and promote NBFIs and Modaraba industry and protect the interest of Members.
- To encourage Islamic trade and finance through Modaraba venture and provide innovative Shariah compliant financial solutions for further progress and growth of the Modaraba sector.
- To maintain an active coordination and a relationship of trust with the regulatory authorities to achieve a consultative and supportive regulatory environment.
- To support environment where members work together to solve common challenges by sharing ideas and helping & supporting each other.
- To migrate best international practices and make information and analysis available on the profile and performance of individual members and the sector.
- To broaden the base of association through induction of new members from different segments within the NBFIs sector.
- To promote good governance, encourage performance based culture within members.
- To enhance professional capacity of members through workshops, seminars and interactive sessions.



## International & Regional Associations

### **AFRICLEASE (AFRICAN LEASING FEDERATION)**

95, Boulevard Abdelmoumen, Casablanca,  
**Morocco**

Tel: +212 522 48 56 53 / 54 / 55

E-mail:

[contact@africalease.org](mailto:contact@africalease.org)

Website:

[www.africalease.org](http://www.africalease.org)

### **FELALEASE - FEDERACION LATINOAMERICANA DE LEASING**

Rua Diogo Moreira, 132 8º andar, conj. 806  
CEP 05423-010 Sao Paulo,

**Brazil**

Tel: +55 11 3095 9100

E-mail:

[felalease@felalease.org](mailto:felalease@felalease.org)

Website:

[www.felalease.org](http://www.felalease.org)

### **INTERNATIONAL FINANCE & LEASING ASSOCIATION**

Avenue Louise 137 1050 Brussels,  
**Belgium**

Tel: +47 91 79 59 70

E-mail:

[inge.villy.hauge@dnb.no](mailto:inge.villy.hauge@dnb.no)

Website:

[www.ifla.com](http://www.ifla.com)

### **Leaseurope, The European Federation of Leasing Company Associations**

Boulevard Louis Schmidt 87, B - 1040

Brussels,

**Belgium**

Tel: +32 2 778 05 60

E-mail:

[a.valette@leaseurope.org](mailto:a.valette@leaseurope.org)

Website:

[www.leaseurope.org](http://www.leaseurope.org)

### **ASIAN FINANCIAL SERVICES ASSOCIATION (AFSA)**

EightyEight@Kasablanka, Tower A, 7<sup>th</sup> Floor,  
Unit D, Jl. Casablanca Kavling 88, Jakarta  
Selatan 12870,

**Indonesia**

Tel: +62 21 2982 0194

E-mail:

[secretariat@afsaworld.org](mailto:secretariat@afsaworld.org)

Website:

[www.afsaworld.org](http://www.afsaworld.org)

### **NBFI & MODARABA ASSOCIATION OF PAKISTAN**

602, Progressive Centre, 30-A, Block-6,  
PECHS, Shahrah-e-Faisal, Karachi-75400,

**Pakistan**

Tel: 92-21-34389774, 34322440

E-mail:

[association@nbfi-modaraba.com.pk](mailto:association@nbfi-modaraba.com.pk)

Website:

[www.nbfi-modaraba.com.pk](http://www.nbfi-modaraba.com.pk)

## Association's Secretariat



**Muhammad Samiullah**  
Secretary General

Mr. Muhammad Samiullah, Secretary General, holds a master degree in Economics, L.L.B, DAIBP, PGD in Islamic Finance & Banking having a vast experience of banking and financial sector. Prior to joining Modaraba Association of Pakistan in 2001, he was Company Secretary, First Habib Bank Modaraba. He also officiated as Chief Executive of First Habib Bank Modaraba for quite some time.

He was appointed as Chairman, FPCCI Standing Committee on NBFI & Modaraba for the year 2016. He was an active Member of FPCCI, Standing Committee for Islamic Banking & Takaful during the year 2015 and 2016. Currently he is a Member of FPCCI Standing Committee on NBFI & Modaraba for 2019.

He is also a Member of Arbitration Panel of Pakistan Stock Exchange (PSX).

### Registered and Head Office

602, Progressive Centre, 30-A, Block-6, PECHS,  
Shahrah-e-Faisal, Karachi-75400, Pakistan  
Tel: (92-21) 34389774, 34322440

### Regional Office

Office No.111, 1st Floor, Eden Center,  
43 – Jail Road, Lahore, Pakistan  
Tel: (92-42) 37500588

E-mail: [association@nbfi-modaraba.com.pk](mailto:association@nbfi-modaraba.com.pk)  
Website: [www.nbfi-modaraba.com.pk](http://www.nbfi-modaraba.com.pk)

### Auditors

Shekha & Mufti  
Chartered Accountants

### Tax Advisor

Shekha & Mufti  
Chartered Accountants

### Shariah Advisor

Mufti Abdul Qadir

### Bankers

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Dubai Islamic Bank

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Wholesale Operator





# **Executive Committee Members**



## Executive Committee 2019-2020



**Muhammad Shoaib Ibrahim**  
Chairman

Muhammad Shoaib Ibrahim is associated with First Habib Modaraba since its inception. Presently he is working as Chief Executive Officer. His extensive working experience in Non-Banking Islamic Financial institutions for more than two decades makes him senior most person with such rich experience of Islamic Finance in Pakistan. This intense exposure gave him the insight into the financial and technical aspects of fund management in Islamic way. He has done Master's in Business Administration (MBA) in Banking and Finance.

He has completed Post Graduate Diploma (PGD) in Islamic Banking and Finance from Centre of Islamic Economics (Darul Ulum), Karachi, Pakistan. He is also Certified Islamic banker from Professional's Institute of Excellence who are academic partner of University of Marathon U.S.A. and Pakistan Institute of Banking Studies, Pakistan. On number of occasions he remained Executive Committee Member of Modaraba Association of Pakistan and also remained the Chairman of Modaraba Association of Pakistan & NBFI & Modaraba Association of Pakistan.



**Ahsanullah Khan**  
Senior Vice Chairman

Mr. Ahsanullah Khan has recently rejoined Saudi Pak Leasing as its Chief Executive/MD with the aim to revive the company which is facing acute financial distress. He has also served this Organization as its Chairman and Chief Executive Officer in the past. He is a seasoned and senior banker groomed and trained in an international commercial banking environment at home and abroad having worked for more than four decades with the leading International commercial and investment banks and financial institutions from middle management to the top most cadre in the financial sector nationally and internationally at financial hubs like Karachi, Dubai and Singapore. His credentials and experience speak loudly of his having command over besides, effective inter-personal and communication skills and professional computer literacy in the different disciplines of banking and finance.

He has also held following significant positions:

1. Vice Chairman – Investment Bank Association 2014 to 2017
2. Director/Chairman Board of Directors – Saudi Pak Leasing Company(2014-15)
3. Former CEO/Managing Director – Saudi Pak Leasing Company
4. Former Senior Vice-Chairman – NBFI & Modaraba Association 2013-14



**Mian Faysal Riaz**  
Vice Chairman

Mian Faysal Riaz having thirty (30) years of diverse experience, have worked in all front line revenue generating business segments of the leasing industry which include Corporate, Commercial Vehicle Division, Auto Lease/Financing, Operating and Micro Finance. A forward-thinking and creative individual with high ethical standards and result oriented professional image along with strong commercial acumen, effective negotiation & presentation skills, strategic & operational planning and leadership skills. Having a vast and diversified experience in leading, managing and mentoring teams.

He joined ORIX Leasing Pakistan Limited on May 2nd, 1991 and currently he is Head of Marketing and Managing North Operations.

## Executive Committee 2019-2020



**Jalaluddin Ahmed**  
Member

Mr. Jalaluddin Ahmed holds degree in B.A. Economics Statistics and has over 33 years of experience in Commercial Banking and Islamic Financial Products. His Commercial Banking experience including 10 years of International exposure by serving United Bank Limited in various countries in the Middle East. Mr. Jalal is CEO of First Al-Noor Modaraba. (Since resigned on February 2020).



**Syed Wajih Hassan**  
Member

Syed Wajih Hassan is Fellow of Chartered Accountant. He holds 20+ years of professional experience serving in MNC's including leading Financial Institutions and IT companies at middle to senior level positions, before joining as CEO of First Paramount Modaraba. Having vast experience in the field of business and finance, Wajih has been instrumental in introducing new ventures to the Modaraba using Musharika and Modaraba modes of investments.



**Karim Hatim**  
Member

Mr. Karim formerly served as Group Head Advisory & Strategic Investment Group of Pak Brunei. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan with twenty years of post-qualification experience of working in Non-Banking Finance Companies and Development Finance Institutions in various management cadres including Chief Operating Officer and Group Head. Areas of specialization include development and implementation of business strategies, turnaround of companies as well as investment banking divisions of development finance companies with emphasis on revival of sick units and financial advisory, recovery and restructuring of infected portfolios, corporate finance, treasury, capital, market operations, finance and credit appraisals.

## Executive Committee 2019-2020



**Shuja Malik**  
Member

Mr. Shuja Malik is an Accounting and Finance graduate from the University of East London. He has experience of over 20 years in banking, sales and marketing of agro chemicals, stock market trading, pharmaceuticals, etc. He had previously been on the boards of two public limited companies, namely, Searle Pakistan Limited and United Brands Limited. Currently he is CEO of First UDL Modaraba.



**Aamir Malik**  
Member

Mr. Aamir Malik joined First Punjab Modaraba on April 29, 2014 as Chief Executive. He holds Commerce Degree from Punjab University, Master Degree in Business Administration from Virtual University; DAIBP from Institute of Bankers in Pakistan and Certified Director from ICAP.

He has served The Bank of Punjab for over 22 years and has diversified experience of handling banking affairs covering Credit/Risk, Branch Banking, Foreign Trade, Recovery and SAM on different senior management positions. He remained Member Executive Committee of the Association in the past.



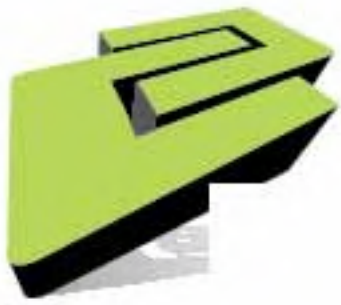
**Mohammed Sadiq Sheikh**  
Member

Mr. Mohammed Sadiq Sheikh is presently the CEO of Modaraba Al-Mali, managed by BankIslami Modaraba Investments Ltd, since January 2019. He is also an Executive Committee Member of NBFI & Modaraba Association.

He has over 45 Years of varied professional experience in Commercial Banking, Leasing and Modaraba sectors. He has worked with MCB Bank Ltd, Union Bank of the Middle East Ltd, Emirates Bank International Plc, KASB Bank Ltd and BankIslami Pakistan Ltd. During his tenure as Managing Director & CEO of Pakistan Industrial & Commercial Leasing Ltd he also interacted with ADB, IFC, KFW and World Bank with respect to financing to the Leasing Company. He was also CEO of First Pak Modaraba.

Mr. Sheikh is a Commerce Graduate from University of Karachi and hold professional qualification of DAIBP & Fellow of Institute of Bankers, Pakistan.





# Messages



## Message



**Prof. Dr. Ishrat Husain**  
Advisor to the Prime Minister  
on Institutional Reforms  
and Austerity  
Chairman, Centre for  
Excellence in  
Islamic Finance  
(CEIF), IBA

I am extremely pleased that the NBFIs & Modaraba Association of Pakistan is issuing its 10th Year Book 2019. Evaluation of the performance is an important step to strengthen and improve the non-banking and Modaraba sector. Moreover, such periodic publications would greatly assist to inspire the confidence of investors through comprehensive information about the activities of Modarabas, leasing companies, and Investment Financial companies.

The NBFIs and Modarabas are playing a pivotal role in the financial system of Pakistan in the form of a diverse set of financial intermediaries. Whereby, NBFIs & Modaraba sector has the potential to achieve the macroeconomic objective of increasing employment opportunities through SME finance. The sector also has vast opportunities to fulfill the needs of the financially excluded population.

However, it has been observed that this sector hasn't taken off so far in Pakistan despite such a long-standing. Assets held by NBFIs & Modarabas sector are Rs. 95,091 million and Equity Rs. 37,041 million. Besides, the share price of Listed Modarabas and leasing companies at PSX are quite low. So, the association has to take certain essential measures in order to accelerate the growth of the sector.

I would like to see a rapidly growing NBFIs & Modaraba sector with an adequate governance structure and diversified financial products. So, it can contribute significantly to the financial sector of Pakistan.

In the end, I would like to recognize the services of the NBFIs & Modaraba Association of Pakistan in organizing and supporting its members and forming effective linkages with the regulatory agency.

## Message



**Aamir Khan**  
Chairman  
SECP

The NBFIs & Modaraba Association of Pakistan is an important industry association. The role of any financial sector association is multi-dimensional. Apart from advocacy, promoting good governance, capacity building and self-disciplining of its members are some of the other areas requiring continuous focus.

NBFI and Modaraba sectors are an integral component of our financial ecosystem. They are of paramount importance for serving financial needs of different segments and complementing the value-chain of financial services sector in Pakistan. These intermediaries have an important role to play in financial inclusion, wealth creation and economic prosperity by complementing the other financial intermediaries in reaching out finance and alternative investment opportunities to the economically weaker and unbanked segments of the society.

Over the last two decades, these sectors have witnessed somewhat mixed performance. The present size of leasing and modaraba sectors which is about Rs. 10 billion and Rs. 54 billion respectively at the end of September 2019, is still considered small as compared to their potential. The asset size of the leasing industry have been maintained during the year. The promotion, development and growth of investment finance services, housing finance, investment advisory services, discounting services, private equity, venture capital and REITs sectors, is still a challenging task requiring all out efforts by all stakeholders.

In order to create a more conducive regulatory environment and promote business growth, continuous efforts are being made by the SECP for redesigning the regulatory framework in consultation with relevant stakeholders. SECP is striving for upgrading primary laws for removing redundancies, bringing efficiency, promoting ease of doing business and creating flexibility for addressing evolving business needs. The proposed amendments to the Modaraba Ordinance are aimed towards the aforesaid objectives. Together with the updated subsidiary legislations, I am confident that these regulatory reforms will promote enabling environment for realizing great potential that these industries possess.

I strongly believe that the NBFI and Modaraba sectors bear great potential to fill crucial gaps in the overall financial system of our country through a unique and customized amalgam of financing and investment alternatives. They offer immense potential in stimulating economic growth through increased business activity, with leasing catalyzing a shift from an ownership economy to an access based economy and the Modaraba sector effectively diverting savings into dynamic industries with increased fluidity. To improve their competitiveness, they need to reduce reliance on expensive sources of financing and resort to alternate funding channels. For efficient service delivery, innovative solutions to serve marginalized and underserved market segments, are inevitable. They can also play a key role to fulfilling the financing needs of micro, small and medium enterprises.

The future road map of the Association must focus on areas like training, development of new and innovative products, adopting highest governance standards, ethical selling practices and timely and efficient complaint handling and resolution mechanisms. The Modarabas and NBFIs should strive to reduce their dependence on traditional source of funding. To this end, they should utilize the medium of capital market by issuing their own securities to not only finance their businesses but to support liquidity, depth and stability in the financial system. The NBFIs and Modaraba sectors have a different risk paradigm compared to banking industry as they can venture into riskier businesses, therefore, their exposures need to be better managed through effective risk management strategies as demonstrated by the NBFIs space.

I would like to once again commemorate the efforts of NBFIs and Modaraba Association on successful publication of their tenth yearbook which, in addition to intensifying the awareness and financial inclusion efforts, takes stock of what our NBFIs and Modaraba industry has achieved during the last year.



## Message



**Mian Anjum Nisar**  
President  
FPCCI

I congratulate the members of NBFi & Modaraba Association of Pakistan for publishing their tenth Year Book for the year ended 30th June 2019. The sustained efforts of the Association to document the performance of NBFi & Modaraba sector is indeed commendable. I am confident that this will serve as a useful tool for information on NBFi & Modaraba sectors for all the stakeholders including potential investors, research analysts & others.

NBFi & Modaraba sectors which include Leasing Companies, Modarabas and Investment Finance Services, owing to their unique nature have immense potential to support the overall financial system of the country. The Modarabas have a great potential to grow through covering the untapped markets i.e. SMEs, Microfinance and Agriculture.

The Federation of Pakistan Chambers of Commerce & Industry (FPCCI) is playing a very important role in the promotion of Islamic Banking in the business community. The federation has constituted a FPCCI Standing Committee on NBFi and Modarabas which is organizing workshops / seminars with the help of other chambers in the country to give awareness about the Islamic Products not only to the business community but general public as well.

FPCCI fully support NBFi & Modaraba Association of Pakistan and wish that the Association continues to play its due role in the growth of the Islamic Finance Industry in Pakistan.



## Message



**BUSHRA ASLAM**  
Executive Director &  
Registrar Modaraba  
SECP

I am pleased to note that the NBFIs & Modaraba Association of Pakistan is publishing its tenth year book - 2019. The year book has been a source of information and vital statistics for the stakeholders, investors and research analysts. Regular publication of the yearbook is creating general awareness about the activities of NBFIs and Modaraba Sector.

During the period 2018-19, several new companies showed interest in registration as Modaraba Companies and it is expected that the coming years will see new players in the industry. On the performance front, as of June 30, 2019, the aggregate equity of the Modaraba was Rs.20.82 billion and total assets of the Modaraba sector stood at Rs. 53.90 billion. Out of 28 Modarabas, 14 modarabas declared cash dividend / bonus.

The number of Modarabas which declared dividends for the year ended June 30, 2019 is reduced from the last year which is worrisome on one hand and the rising interest rate and exchange rate regime has put new challenges for this sector, on the other hand. In this scenario, all modaraba companies need to review their performance and come up with new techniques and strategies to boost the business, profitability and returns of modarabas managed by them.

Modarabas are facing challenges of efficiency. Fintech can help in effective marketing and selling of financial products offered by Modarabas. To capitalize the advantages of Fintech, there is a need to carry out detail studies to enhance the scope of automation through Fintech.

SECP would encourage the association to formulate proposals in this regard to increase the market share of modarabas through automation.

On the development side, the Securities and Exchange Commission of Pakistan has notified draft modaraba regulations for comments of the stakeholders. It is expected that a new set of regulations for modaraba sector would be notified in near future. Amendments proposed in the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 are also in the process of approval. It is expected that the same would be tabled and approved by the parliament in due course.

I wish the NBFIs & Modaraba Association of Pakistan all the best in its endeavors.

## Message



### **Ghulam Muhammad Abbasi**

Director & HoD  
Islamic Banking Department,  
SBP

It gives me immense pleasure to note the auspicious launching of the Tenth Year Book 2019 by the esteemed 'NBFI and Modaraba Association of Pakistan'. The continuous publication of the Year Book over a decade has transformed it as a very useful guide for the members, stakeholders, industry analysts, trade bodies, regulators, academia, banks and NIBFIs etc. More importantly, it is now transforming into a complete one window information package for all the concerned.

While I congratulate the Chairman - NBFI & Modaraba Association and his dedicated team at this milestone of the 10th anniversary of their Year Book, I would also like to highlight the tremendous growth in Islamic banking industry since its relaunch in 2002. The presence of an enabling policy regime, well supported by a robust regulatory and Shariah governance framework, the Islamic banking industry has been able to attain share of around 15% of the entire banking systems. Based on the positive sentiments, I am hopeful that Islamic banking industry will continue to maintain its growth trajectory and will enlarge its footprints across the country to cater to the financial needs of faith sensitive segment of market as per their belief system.

Modaraba institutions are an important component of national financial infrastructure as they play a pivotal role in addressing the needs of the underserved sectors through various tailor-made Islamic financial products. The sector has primarily catered to the unbanked segments of our society; a domain where the mainstream banking entities could not enter. In my view, well-concerted and joint efforts by all the sectors of Islamic financial industry, would play a critical role to effectively provide Shariah compliant financial solutions to the stakeholders.

Way forward, I understand that the transformation of entire financial system into a Shariah compliant financial system is one of the foremost common agenda of State Bank of Pakistan and Securities and Exchange Commission of Pakistan (SECP), which will be achieved only through developing synergies amongst all the sectors of financial system.

I hope that the NBFIs and Modaraba sector will continue to multiply their role in catering to the financial needs of their clients in an effective and efficient manner. I wish the NBFI & Modaraba Association all the success in its endeavors.

**87**  
YEARS  
1932-2019

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**AA+**

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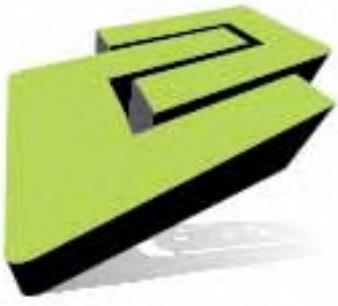
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# **Chairman Review**



## Chairman Review



**Muhammad Shoaib Ibrahim**  
Chairman  
NBF & Modaraba  
Association of Pakistan

It gives me pleasure in presenting the Tenth Year Book of NBF & Modaraba Association of Pakistan for the year ended 30th June, 2019. Over the years, the Year Book has attained a status of being a comprehensive and reliable publication that covers the data and entire activities of the NBF & Modaraba Sectors and its members during the year. It is being published since inception of the Association. This year book also contains some of the useful articles, interviews which will be beneficial to the potential investors, research analysts and other stake holders.

NBF & Modaraba Association of Pakistan is a representative body of Modarabas, Leasing Companies and Investment Finance Services. The current membership threshold of the Association is 37 which includes 26 Modarabas, 8 leasing companies and 3 investment finance services. The Association is making its all-out efforts to enhance its membership threshold and approaching various Islamic financial institutions such as Takaful companies, etc.

### Economic Review

On economic front the economy is showing slight improvement. However, businesses are still facing issues of pressures of high cost of doing business. Macroeconomic fundamentals are also unstable due to tight monetary policy, fiscal and regulatory adjustment which have squeezed national output, increased pressure on cost and slowed down the GDP growth. In Monetary Policy Statement (MPS) on 15th May 2020 the SBP has reduced the policy rate by 100 basis points. In total 525 basis points have been reduced from 13.25% to 8% in a short span of time which was enabled by the fact that both the fall in inflation in Pakistan since January and the expected further decline next year are the highest among comparable emerging markets.

The recent inflation numbers has shown on high side mainly from food prices and potential increase in utility cost. However, substantial reduction in current account deficit, slight improvement in business sentiments and fiscal development are showing positive sign. The present government faces tough economic challenges towards reviving of current state of economic affairs. Still structural transformations are needed in Pakistan's production system in all three main segments i.e., agriculture, manufacturing and services in order to support for enhancement of productivity and export competitiveness.

### Our Performance

During the year under review, the overall performance of NBF & Modaraba Sector remained satisfactory. The assets base of the sector enhanced from Rs.94,585 million to Rs.95,091 million showing an increase yoy of Rs.506 million. The total equity slightly declined from Rs.38,206 million to Rs.37,041 million. This decline is due to losses made by few entities within Modaraba and leasing sector. However, as usual, good performing entities within Modaraba and leasing sector distributed good dividends to their Shareholders/Certificate holders of approximate Rs.1,685 million.

The total assets of the Modaraba Sector enhanced from Rs.52,670 million in the year 2018 to Rs.53,903 million in the year 2019 depicting an increase of Rs.1,233 million. The total Equity of Modaraba Sector slightly decline from Rs.22,643 million to Rs.20, 828 million due to losses made by few Modaraba entities. However the profitable Modarabas distributed divided between the range of 1.50% to 50% and the total

The asset base of the leasing sector which comprises of 8 Leasing Companies, were Rs.10,605 million as compared to Rs.10,528 million last year while the equity was Rs.5,257million as compared to Rs.5,350 million last year.

Investment Finance Services Sector comprises of three entities, have a total assets of Rs.30,582 million as compared to Rs.31,387 million last year. The equity stood at Rs.10,955 million as compared to Rs.10,145 million last year. The sector booked a profit of Rs.1,131 million as compared to Rs.1,569 million last year while the payout was Rs.729 million during the year under review.

Market Capitalization of the Sector as on 30th June, 2019 was Rs.17,678,837,482 as compared to Rs.26,061,544,654 last year.

The total shareholders of the NBFI & Modaraba Sector in Pakistan Stock Exchange are 87,321 as compared to last year 86,473.

On an overall basis, the performance of the sector can be termed as satisfactory.

### Roadmap/Mandate of new committee

In first meeting of new Executive Committee of 2019-20, roadmap/mandate of the committee was discussed in detailed. The crux of roadmap was to accelerate the efforts to make the Association a vibrant entity of the financial sector. The key points of the roadmap/mandate were as follows:

- **Address the issues and challenges of Modaraba and Leasing Sector**
  - Regulatory facilitative changes in the regime.
  - Taxation (Provincial and Federal anomalies)
  - Others
- **Facilitate and help the members of the Association**
  - Regular update on regulatory and other changes along with comparative statements.
  - Help and assist any specific issues with regulators and other relevant agencies.
- **Capacity Building of the Association**
  - Enhance Research and product development capacity
  - Induction of new resources for more efficient service and support to the members including data mining.
- **Capacity Building of Members and their team members**
  - Through training workshops and short sessions
  - Through interactive sessions with industry experts
- **Profile and Image Building of the sector through awareness sessions/programs**
  - Image building and awareness sessions in collaboration with Chambers and Trade Bodies and Regulators.
- **Increase membership of the Association through engagements of the new segments of NBFCs**
  - Invite other NBFCs such as Takaful Companies, Investment Banks and Islamic NBFCs for membership.

### Interaction with the Regulators

During the year under review, the Association has an active liaison and coordination with Securities & Exchange Commission of Pakistan (SECP), the apex regulator of the NBFI & Modaraba Sector and held various meetings with the Commissioner, Registrar Modaraba, HoD of Islamic Finance Department and other officials to achieve a consultative and supportive regulatory environment. It has been the endeavor of the Association to have a regular interaction with the regulators.

Currently the NBFI & Modaraba Sector is facing various regulatory and tax issues which have affected the business of the sector. The foremost issue is the levy of Sindh Sales tax on Ijarah (Lease) transactions by Sindh Revenue Board (SRB)

The other issue pending with the Regulator is restructuring of the management fee which needs to be considered at the earliest as most of the Management Companies are facing great difficulties in meeting their expenses. However, a number of significant amendments have been made by the SECP in (i) Modaraba Regulations, 2019, (ii) NBFC & Notified Entities Regulations, 2008 and (iii) Modaraba Companies & Modaraba Rules, 1981 to remove the regulatory impediments for the growth of the NBFI & Modaraba Sector. We are thankful to SECP for accepting a number of demands of the Association through these amendments such as revision in the upper limit for building up of Reserves, enhancement in the housing finance limits and steps taken for the Resource Mobilization.

In addition, SECP has taken initiative to promote Housing Finance Business as a source of developing housing sector in Pakistan. Mr. Farrukh Sabzwari, Commissioner, SECP has encouraged NBFIs and Modarabas to diversify their operations by entering into mortgage lending. We also appreciate efforts made by Pakistan Mortgage Refinance Company (PMRC) for providing affordable housing finance particularly for low income group. It will also support implementation of the Government's policy of encouraging housing ownership.

Securities and Exchange Commission of Pakistan ("SECP"), in order to maintain the integrity of its regulated financial sector and preventing and combating ML/TF, notified the SECP AML/CFT Regulations, 2018 and issued supplementary guidelines to help regulated entities establish systems to detect ML/TF and prevent abuse of their financial products and services. To give awareness about the salient features of AML/TF and for its practical implementation, the Association arranged a number of workshops, interactive sessions and invited trained professional as Speakers.

### Industry –Academia Linkages

During the year under review the Association has signed MoUs with IBA-CIEF and ICMA Pakistan with an objective to enhance financial literacy and create awareness about the Modaraba and Leasing Models. The Association in collaboration with these academias, shall arrange workshops/seminars and work jointly on different projects. Currently IBA-CIEF has been given a task to prepare a country report on NBFI & Modaraba Sector, which is at the final stage of compilation and will be finalized soon.

### Trainings & Workshops

During the year under review, the Association has planned to arrange substantial workshops and seminars on different topics in order to enhance the knowledge and skills of the staff of the members. The Association has also started to invite celebrities in the "Afternoon Tea" to share their experience and knowledge with the members. Some of the workshops are in the pipeline which will be arranged in the coming months.

The Association is also playing an active role in developing its relationship with different entities such as FPCCI, KCCI, KATI, ICMAP, ICAP, SMEDA, IBA CIEF, State Bank of Pakistan, AAOIFI, and others. During the year FPCCI has appointed the undersigned as Convener of the "FPCCI Standing Committee on NBFI & Modarabas" for the year 2020. The Association has also discussed with FPCCI to arrange awareness sessions from their platform to give awareness about the Modaraba and Leasing Models to the businessmen and persuade them to invest in this sector.

On behalf of the NBFI & Modaraba Association, I thank Mr. Aamir Khan, Chairman, Mr. Farrukh H. Sabzwari, Commissioner, Ms. Bushra Aslam, Registrar Modaraba and Mr. Shahid Mahmood, Additional Director, SECP for their continued support and guidance in resolving various issues of NBFI & Modaraba Sector. I am also thankful to Mr. Bilal Rasul, Executive Director & HoD of Islamic Finance Department, Mr. Shahid Nasim, Executive Director, and other officials of SECP for their support and valuable guidance. I express my gratitude to the members of the Association in general and the Executive Committee Members in particular for electing me as Chairman of the Association.



# Secretary Ganeral Report



## Secretary General Report



**Muhammad Samiullah**  
Secretary General

In the beginning of the year of the current tenor of the Executive Committee, the Chairman gave a Roadmap/mandate for the working of the Association. The crux of the roadmap was to accelerate the efforts to make the Association, a vibrant entity of the financial sector which includes (i) to address the issues and challenges of Modaraba and Leasing Sector through regulatory facilitative changes in the regime (ii) to facilitate and help members of the Association through regular update on regulatory or other changes along with comparative statements (iii) capacity building of the Association and members by enhancing research and product development through training workshops and interactive sessions with industry experts (iv) image building and awareness sessions in collaboration with Chambers, Trade Bodies and Regulators and (v) enhance membership threshold of the Association.

The Association followed the roadmap and with its utmost efforts achieved a number of tasks given, the details of which have been given in this report. In addition, the Association undertook various activities in order to promote awareness about the NBFI & Modaraba Sector during the year under review.

### MAJOR EVENTS OF THE YEAR:

#### LAUNCHING OF YEAR BOOK 2018

NBFI & Modaraba Association of Pakistan arranged a launching ceremony of Year Book 2018 on Monday the June 24, 2019 at Pearl Continental Hotel, Karachi. Mr. Khalid Mirza, Chairman, Policy Board, SECP was the Chief Guest of the ceremony. Mr. Raheel Q. Ahmad, Chairman, NBFI & Modaraba Association of Pakistan addressed the ceremony and presented the Year Book 2018 to the Chief Guest. Ms. Musarat Jabeen, Executive Director, read speech of the Chairman Mr. Farrukh H. Sabzwari who could not attend the ceremony due to some official commitments. The ceremony was attended by senior officials from SECP, CEOs of Modarabas, Leasing Companies, Investment Finance Services, Shariah Advisors, PSX board, FPCCI and Takaful Companies and other guests. The event was outsourced to an Event Management Company, first time in the history of the Association.

#### Best Performance Awards 2018

NBFI & Modaraba Association of Pakistan also arranged Best Performance Awards Distribution ceremony for the year 2017-18 on Monday the June 24, 2019 at Pearl Continental, Karachi which was presided over by Mr. Khalid A. Mirza, Chairman, Policy Board, SECP. Based on the results of 30th June, 2018, following members were adjudged best performers for the year 2018 in accordance with the criteria approved by the Executive Committee, detailed as under:-

<b>First Position</b>	ORIX Leasing Pakistan Limited
<b>Second Position</b>	Allied Rental Modaraba
<b>Third Position</b>	First Habib Modaraba and ORIX Modaraba were the joint winners

### **Ninth Annual General Meeting (AGM):**

Ninth Annual General Meeting of NBFI & Modaraba Association of Pakistan was held on September 25, 2019 at the Conference Hall of the Association. In the meeting the audited accounts of the Association for the year ended 30th June, 2018 were duly approved. Approval was also given for the appointment of Auditors for auditing the accounts of the year following 30th June, 2019.

### **INTERACTION WITH THE REGULATORS**

#### **Meeting with Mr. Farrukh H. Sabzwari, Commissioner, SECP**

A meeting with Farrukh H. Sabzwari, Commissioner, SECP was held through Video Link on 15th October 2019 at SECP office, Karachi which was attended by Mr. Muhammad Shoaib Ibrahim, Chairman, Mr. Basheer A. Chowdry, Mr. Raheel Q. Ahmad Mr. Jalaluddin Ahmed, Mr. Shuja Malik, Mr. Muhammad Sadiq Shaikh and Mr. Muhammad Samiullah. Various pending issues were discussed and suggestions were made to resolve them. Mr. Farrukh Sabzwari assured to look into these pending issues and make all out efforts to resolve them as early as possible.

#### **Meeting with Mr. Bilal Rasul, Secretary to the Commission & HoD Islamic Finance Department, SECP**

A meeting with Mr. Bilal Rasul, Secretary to the Commission & HoD of Islamic Finance Department, SECP and his team was held on 16th October 2019 at SECP office, Karachi through video link to discuss the establishment of Islamic Finance Association of Pakistan (IFAP) which was attended by a number of stakeholders of the financial sector. Mr. Muhammad Shoaib Ibrahim, Chairman Mr. Ahsanullah Khan, Senior Vice Chairman, Mr. Basheer A. Chowdry, Mr. Raheel Q. Ahmad and Mr. Muhammad Samiullah, Secretary General from NBFI & Modaraba Sector participated.

The meeting was called to discuss the proposal of NBFI & Modaraba Association to constitute an Association in the name of "Islamic Finance Association of Pakistan (IFAP) consisting of all the stakeholders of Islamic financial industry. Mr. Bilal Rasul explained the purpose of establishment of this Association and given the task of formulation of the Association to Mr. Basheer A. Chowdry as Convener to complete the process. He was empowered to constitute a committee who will look after the affairs of registration formalities of the Association.

#### **Meeting with Mr. Farrukh H. Sabzwari, Commissioner, SECP on issues of Leasing Companies**

A meeting with Mr. Farrukh H. Sabzwari, Commissioner, SECP, Mr. Murtaza Abbas, Joint Director, SECP Mr. Aqeel Zeeshan, Additional Director, SECP through Videocon was held on 25th February 2020 at the office of the SECP, Karachi to discuss the issues and their possible solution of the Leasing sector.

NBFI & Modaraba Association was represented by its Chairman Mr. Muhammad Shoaib Ibrahim, Mr. Ahsanullah Khan, Mr. Mahfuz-ur-Rehman Pasha, Mr. Zia Mohiuddin and Mr. Muhammad Samiullah.

### **Amendments in Modaraba Regulations, 2019**

SECP issued Draft Modaraba Regulations, 2019 wherein certain amendments were proposed, some of which were previously demanded by the Association. After concurrence with the members, Association sent its recommendations to the Registrar Modaraba for their consideration. The most important amendments made by SECP in the Modaraba Regulations are facilitation to the Modaraba Sector for undertaking housing financing by Modarabas.

### **Amendments in NBFC Regulations, 2008**

SECP issued Draft NBFC & Notified Entities Regulations, 2008 wherein some amendments were proposed and invited recommendations/suggestions from the stakeholders. The Association after concurrence with the members sent its recommendations to SECP for their consideration.

## Amendments in AML/CFT Regulations

SECP proposed certain amendments in the Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2018 through SRO .56(1)/2020 dated 28th January, 2020 and invited comments from the stakeholders. The Association, after discussion with the members, sent its recommendations on the above for the consideration of the Regulator.

## Amendments in Modaraba Companies & Modaraba Rules, 1981

SECP proposed certain amendments in the Modaraba Companies and Modaraba Rules, 1981 through SRO.84(1)/2020 dated 4th February, 2020 and invited comments from the stakeholders. The Association after concurrence with the members, send its recommendations to the Regulator for their consideration.

## 5th DGTO Consultative Session

The Directorate General of Trade Organization in collaboration with Pakistan Knitwear & Sweater Exporters Association (PAKSEA) arranged 5th DGTO Consultative Session for Secretary Generals and Office Bearers of Trade Associations on 29th April 2019 at Pearl Continental Hotel, Karachi. Mr. Muhammad Samiullah, Secretary General of the Association attended the session. The objective of the interactive session was to establish an active platform for mainstreaming legitimate trade bodies for improved compliance of regulatory requirements under the relevant law.

## Meeting with IBA-CEIF Team

The Association intends to get a sector study prepared by IBA-CEIF on the NBFI & Modaraba sector. For the purpose a meeting was held with a team of IBA-CEIF led by Dr. Irum Saba, Assistant Professor, IBA on 17th May 2019 at the Association office which was attended by Mr. Raheel Q. Ahmad, Chairman and Mr. Muhammad Samiullah, Secretary General. Mr. Raheel gave a brief outline for the preparation of the report.

## Meeting with President, KCCI

The Association had a meeting with Mr. Junaid Ismail Makda, President, Karachi Chambers of Commerce & Industry on 14th May 2019 at KCCI office as part of the awareness campaign started with the active collaboration of the SECP.

Mr. Raheel Q. Ahmad, Chairman, Mr. Muhammad Shoaib Ibrahim, CEO, First Habib Modaraba and Mr. Muhammad Samiullah, Secretary General attended the meeting and discussed various issues including arrangement of Awareness Program for Modaraba Model for the Business Industry.

## Interactive Session on Draft National SME Policy at FPCCI

FPCCI arranged an interactive session on Draft National SME Policy on 26th June 2019 which was presided over by Dr. Ikhtiar Baig, Senior Vice President, FPCCI. On behalf of NBFI & Modaraba Association Mr. Muhammad Samiullah, Secretary General attended the session.

In the said meeting the Secretary General suggested that NBFI & Modaraba sector should also be included in the concessional schemes introduced by State Bank of Pakistan from time to time. The suggestion was well taken by the FPCCI officials and it was assured that the matter will be discussed with the concerned authorities.

## Consultative Session on AML/CFT issues at SECP

An interactive session with some of the stakeholders was arranged by SECP on 10th October, 2019 at its Karachi office to discuss (i) Issues in the implementation of the AML/CFT Regime; (ii) Recommendations for improvements in Regulatory Framework/Guidelines and (iii) Planning of Capacity Building/ Outreach Sessions. The session was conducted by the Senior Executives of SECP. Mr. Muhammad Samiullah, Secretary General, Mr. Zulfiqar Ali, CFO, Sindh Modaraba, Mr. Faqrooq Ahmed, ORIX Modaraba, Mr. Moin Ahmed, Saudi Pak Leasing Company Limited and Mr. Fazal Abbas, First Habib Modaraba participated.



### **Luncheon Meeting with Mr. Badiuddin Akber, CEO, CDC**

A luncheon meeting with Mr. Badiuddin Akber, CEO, CDC was arranged in the office at Central Depository Company of Pakistan – CDC, Karachi on Wednesday the 3rd July 2019. Mr. Raheel Q. Ahmad, Chairman, Mr. Basheer A. Chowdry, CEO, Trust Modaraba, Mr. Muhammad Shoaib Ibrahim, CEO, First Habib Modaraba and Mr. Muhammad Samiullah, Secretary General of the Association attended the meeting and discussed various initiatives of mutual interest.

### **Interactive session with Aequitas Information Services Limited (AISL) to introduce Tasdeeq**

The Association arranged an interactive session with Aequitas Information Services Limited (AISL) to introduce Tasdeeq (1st SBP licence Credit Bureau) on Thursday the 11th July 2019 at the Conference Hall of the Association. Syed Saleem Raza, Chief Data Officer & Head of Operations and his team conducted the session. The session was attended by a large number of participants from NBFI & Modaraba sectors.

### **Interactive session with DataCheck Limited**

The Association arranged an interactive session with DataCheck Limited (SBP licenced Credit Bureau) on Wednesday the 24th July 2019 at the Conference Hall of the Association. Mr. Tariq Nasim Jan, CEO, gave a presentation on the information of DataCheck and its salient features. The session was attended by a large number of participants.

### **8th Annual Islamic Finance Expo & Conference on July 25, 2019**

The Professionals Network under the Knowledge Partnership of IBA-CEIF organized the 8th Islamic Finance Expo & Conference (IFEC 2019) on July 25, 2019. A panel discussion on "Growth and Challenges of Non-Banking Financial Institutions (NBFI)" was arranged.

Mr. Basheer A. Chowdry and Mr. Muhammad Shoaib Ibrahim were the Panelists among others. Mr. Mehmood Arshad, SEVP, Pak-Qatar Takaful was the moderator of the panel discussion.

### **Consultative Session on National Risk Assessment on Tuesday, August 20, 2019**

A consultative session on National Risk Assessment was arranged by Financial Monitoring Unit, Government of Pakistan on Tuesday the 20th August 2019 at 3rd Floor, LRC, State Bank of Pakistan, Karachi. The Association was represented by Mr. Aniq Ul Islam, Head of Compliance, ORIX Modaraba in the session.

### **Presentation by Central Depository Company (CDC)**

The Association arranged a presentation in collaboration with Central Depository Company (CDC) on Friday the 23rd August, 2019 at its Conference Hall. Mr. Mohsin Rajabali, Manager, CDC, gave a presentation highlight various services being offered by CDC including Share Registrar Services for Modaraba Companies.

### **Memorandum of Intent (MOI) between IBA and NBFI & MAP**

A Memorandum of Intent (MOI) and Letter of Engagement were signed between the Association and IBA-CEIF for a full Country Report of the sector with special focus on challenges and opportunities on 24th September 2019. It was also agreed to undertake research work, create awareness and encourage the growth of Islamic Finance in the Country. The ceremony was attended by Dr. Ishrat Hussain, Advisor to the PM. Mr. Raheel Q. Ahmad, Chairman, Mr. Muhammad Shoaib Ibrahim, Mr. Muhammad Naimuddin Farooqui and Mr. Muhammad Samiullah.

### **Meeting with the Russian Delegation:**

A delegation from Russia visiting Pakistan and planning to work on some projects with Meezan Bank Limited and Usmani & Co Private Limited, also visited office of the Association on 23rd January, 2020 and discussed Modaraba Model. The delegation consist of Mr. Mikhail (Shamil) Orlov, Chairman of the Russian - Egyptian business council, member of the board of the AGROFINMOST, Mr. Sharjeel Ahmed and. Mr. Farhan Ul Haq Usmani, EVP & Head of Shariah Audit department, Meezan Bank Ltd.

Mr. Muhammad Samiullah gave a brief presentation on "Modaraba Model" which was also shared by Mr. Muhammad Shoaib Ibrahim. Mr. Ahsanullah Khan, Mr. Syed Wajih Hasan also attended the event.

### **Presentation on Block Chain – Application & Opportunities for Islamic Financial Industry**

The Association arranged a presentation on "Block Chain Applications and Opportunities for Islamic Financial Services" on 30th January 2020 at Conference Hall of the Association. Mr. Sharjil Ahmed, Managing Director & Co-founder of Cykube, UK and Member, Shariah Advisory Board, Usmani & Co. Conducted the presentation.

The presentation was attended by members of NBFi & Modaraba Sector.

### **Visit to FPCCI**

A delegation of the Association led by its Chairman, Mr. Muhammad Shoaib Ibrahim consisting of Mr. Basheer A. Chowdry, Mr. Raheel Q. Ahmad, Mr. Ahsanullah Khan and Mr. Muhammad Samiullah visited FPCCI to congratulate Mian Anjum Nisar on his election as President of FPCCI for the year 2020. Various matters were discussed with him and his team which included Mr. Shaikh Sultan Rahman, Vice President, Mian Zahid Hussain, Mr. Asim Ghani, Mr. Haji Usman Haji Ghani and others.

Mian Anjum Nisar, President FPCCI assured full support to the NBFi & Modaraba Association for the promotion of Leasing and Modaraba Models among the business community through awareness sessions from the platform of FPCCI.

### **Conference on the scope of Housing Finance Business for the members of the Association**

A conference on the scope of Housing Finance Business was arranged by the Association in collaboration with SECP and Pakistan Mortgage Refinance Company (PMRC) to give awareness about the housing finance business for the members of the NBFi & Modaraba Association of Pakistan. The Conference was attended by Mr. Farrukh H. Sabzwari, Commissioner, Mr. Aqeel Zeeshan, Additional Director and Mr. Shahid Mahmood, Additional Director, SECP.

Muhammad Shoaib Ibrahim, Chairman, NBFi and Modaraba Association of Pakistan said that housing is indeed a very important sector of the economy which has so far been catered for by HBFC and to some extent by commercial banks.

Farrukh Sabzwari highlighted the role and efforts of SECP in promoting housing finance companies. He also mentioned salient features of regulatory framework for Housing Finance Companies (HFCs) including licensing requirements

Mr. Mudassir H. Khan, CEO, PMRC and his team briefed on the role of PMRC and how PMRC can play a vital role to not only facilitate government mission of promoting mortgage financing in Pakistan but also development of fixed rate bond/sukuk capital market. The Conference was attended by a large number of participants from NBFi & Modaraba Sector, PMRC and other financial institutions.

Subsequently a Working Committee was constituted to explore the possibilities to enter into the housing financing business by Modarabas and Leasing Companies.

### **Establishment of Regional Office, Lahore**

The Association established its Regional Office at Lahore for facilitating its members operating at Lahore.

### **Amendments in Memorandum & Articles of Association:**

Two amendments were made in the Memorandum & Articles of the Association of NBFi & Modaraba Association which included (i) replaced the words "Companies Ordinance, 1984" with the words "Companies Act, 2017" and (ii) Amended Clause 8(b) Entrance Fee and Annual Subscription. These amendments have been approved by the DGTO and vetted by SECP.

## Memorandum of Understanding (MOU)

A MoU was signed between NBF & Modaraba Association of Pakistan & Institute of Cost & Management Accountant of Pakistan (ICMAP) on 24th December, 2019 at the Conference Hall of the Association. The ceremony was attended by Mr. Asim Hussain Khan, Director, Members Professional Department & Corporate Trainings, Mr. Amir Ijaz Khan, Executive Director and Mr. Shamsuddin Bhimani from ICMAP while from NBF & Modaraba Association of Pakistan Mr. Muhammad Shoaib Ibrahim, Chairman and CEO of First Habib Modaraba & Habib Metro Modaraba, Mr. Basheer A. Chowdry, CEO, Trust Modaraba, Mr. Raheel Q. Ahmad, CEO, ORIX Modaraba and Mr. Muhammad Samiullah, Secretary General of the Association attended the ceremony.

The MoU was signed by Mr. Muhammad Shoaib Ibrahim on behalf of NBF & Modaraba Association and Mr. Asim Hussain Khan signed on behalf of ICMAP. The objectives of this MoU are:

- To work jointly on Capacity Building and conduct training workshops and seminars
- Research & Development Work
- Job Placement & Internship
- Awareness Sessions at ICMAP regarding Modaraba and NBFC Models
- HR Solutions of the NBF & Modaraba Sector
- Participation of the staff of NBF & Modaraba Sector in the courses arranged by the ICMAP from time to time, at a concessional fee
- Any other work/assignment with the mutual consent of both the institutions

The MoU signing ceremony is a step towards participation in the awareness campaign introduced by SECP for introduction of Modaraba and NBFC Model in the professionals through academia. The Association is also planning to hold awareness sessions at different forums including FPCCI, KCCI, KATI and other entities, the development in the matter will be conveyed to the members from time to time.

## Meeting with PMRC

A meeting of Working Committee for Mortgage Financing with the representatives of PMRC held on 27th February 2020 at the Conference Hall of the Association.

This meeting was held in continuation to the Conference on the scope of Housing Finance Business for the members of NBF & Modaraba Association of Pakistan held on 3rd February, 2020 to explore the possibilities of entering NBFCs and Modarabas into the Housing Finance Business. Various issues were discussed in the meeting.

## Meeting with Mr. Hashim Raza, CEO, SMEDA at FPCCI

The Federation of Pakistan Chambers & Commerce Industry (FPCCI) arranged a meeting with Mr. Hashim Raza, Chief Executive Officer, Small & Medium Enterprises Development Authority (SMEDA) on 27th February, 2020 at the Conference Room, Federation House, Karachi which was presided over by Mian Anjum Nisar, President, FPCCI while Mr. Shaikh Sultan Rahman, Vice President and senior members of FPCCI attended the meeting. Mr. Hashim Raza, Chief Executive Officer and Mr. Mukesh Kumar, Provincial Chief, Sindh, SMEDA were the guests. Besides, a number of representatives from different sectors, Mr. Muhammad Samiullah, Secretary General and Mr. Muhammad Shahzad, CFO/Company Secretary, SME Leasing Limited represented the NBF & Modaraba Sector in the meeting.

The agenda of the meeting was to develop close liaison with SMEDA for the development of business sector and facilitation to the business community.

## Half day Workshop on "Anti-Money Laundering and Combating the Financing of Terrorism Regulations"

NBF & Modaraba Association of Pakistan in collaboration with ICMA Pakistan organized a half day Workshop on "Anti-Money Laundering and Combating the Financing of Terrorism Regulations" on 05th December 2019 at the Conference Hall of the Association.

Mr. Usman Ali Khan was the Trainer. He is a recognised subject matter Expert on AML/CFT, Compliance, Audit, Credit Internal Control and Risk Management. He is a seasoned Banker having 14th Years' experience. He is currently associated with United Bank Limited.



## Half day Workshop on “Risk Management”

The Association organized a half day Workshop on “Risk Management” on 20th February 2020 at the Conference Hall of the Association.

Ms. Kiran Hassan conducted the workshop. She is the Head of Internal Audit of a Public listed company. She is (ACMA) and UAECA has more than 10 years of diversified experience in the field of Finance, Internal Audit, Controls & Risk Management in local and multinational companies. She was associated with ORIX Leasing Pakistan Limited, Alkaram Textile, First Women Bank Limited and Griffin Nagda (UAE).

Mr. Muhammad Shoaib Ibrahim, Chairman, NBFI & Modaraba Association of Pakistan addressed the participants and discussed the importance of Risk Management in the business and thereafter distributed the certificates to the participants.

The Association is planning to arrange more workshops on the following topics:

- Credit Analysis
- Advance Excel
- Artificial Intelligence
- Islamic Modes of Financing & Documentation particularly for DM and Ijarah
- Modern Audit Tools





# Interview



# Interview Mr. Muhammad Shoab Ibrahim, Chairman NBF & Modaraba Association of Pakistan

## SBP has played the leading role in facilitating Islamic Banking Industry

1. As a Chairman of NBF & Modaraba Association of Pakistan, how do you see Non-Banking (NBFs) sector of Pakistan and further growth of this sector within the financial market of Pakistan.

The non-Banking Financial Institutions (NBFIs) run in parallel to the traditional deposit taking commercial banks and supplement banks in providing financial services to individuals and firms. While banks may offer a set of financial services as a package deal, NBFIs unbundle these services, tailoring their services to particular groups. Furthermore due to diversity a single segment of NBFIs may specialize in particular sector which can cater the need of different categories of customers.

- Strong tool for Mobilization of Resource
- Provide Long-term Credit
- Support for capital formation
- Support for development Debt and Equity market.
- Provide diversified financial services and modes investment to customers

By having variety of financial system the non-bank financial institutions, can protect economies from financial shocks and vulnerabilities. NBFIs provide multiple alternatives to transform an economy's savings into capital investment and act as backup facilities financial intermediations.



Muhammad Shoab Ibrahim  
Managing Director  
First Habib Modaraba

With more than two decades experience in non-bank Islamic financial institutions and Modarabas, he is a senior expert on this topic in Pakistan. This experience has given him insight into the financial and technical aspects of the non-banking Islamic financial activities covering financial services, equity market and asset management.

Under his leadership, at present, FHM is well positioned in the Islamic financial market with a strong equity base, sound assets size and profitability within the modaraba sector of Pakistan. FHM holds a strong credit rating scale of AA+ in long term and A1+ in short term. Moreover, FHM has secured several awards/accolades on best performance, best corporate report, best corporate disclosure and corporate excellences from reputable bodies, such as NBF & Modaraba Association, ICAP and ICMAP, Management Association of Pakistan, and SAFA an apex body of SAARC during his tenor as CEO of FHM.

Mr. Shoab holds a Master of Business Administration (MBA) in Banking and finance from the Institute of Business Administration (IBA), he has also completed a Post Graduate Diploma (PGD) in Islamic Banking from the Centre of Islamic Economics (Darul-ulum), Karachi Pakistan.

He is country correspondent of Islamic Finance News, Malaysia and also has presented research papers on the modaraba and other Islamic financial products at different local and international forums.

Presently he is Chairman of said NBF & Modaraba Association of Pakistan. In past he has remained Chairman and also on number of times served as Executive Member of said Association.

According to last annual report of SECP, the NBF sector is steadily improving and as per last reported figures it is reached to around Rs.1,200 trillion. Mutual Fund industry is having large size within said sector followed by leasing companies, Modarabas, investment banks etc. With the enabling regulatory support, I am confident that the market reach of said segment will be further enhanced particularly in SME, Micro Finance, Takaful, and in Mutual fund segment.

2. What is the role of NBF & Modaraba Association related to coordination, training and public awareness etc. How you are planning to lead Association in your tenor.

The NBF & Modaraba Association of Pakistan as a forum of Leasing and Modarabas Companies, provide a platform to interact with each other in order to deal with the Sectors' issues and formulate strategies for its consolidation and growth in the context of market challenges and opportunities. Association also maintains an active co-ordination with the regulatory authorities to achieve a consultative and supportive regulatory environment. The Association deals all sectoral issues and matters and coordinate with regulators, government functionaries, industry practitioners and other relevant entities.

With the support of members of Executive Committee and secretariat of the association it is our utmost priority to address the issues of the sector and work for further development of the sector.

Furthermore, we are also

concentrating on to arrange training workshop and interactive sessions for the members and their staff in different disciplines for professional grooming and capacity building. The association is also actively engaged with SECP for updating relevant laws and regulation for further growth and progress of the sector with a view to make it a vibrant and progressive component of the financial industry. It is our ambition that the association continues to play its due role in enhancing strength, vision and professional within the sectors and promote good corporate governance practices.

### 3. How do you see the growth of Islamic finance in Pakistan particularly in non-banking segments?

Pakistan is located at a region which has a great economic, political and strategic importance. South Asia is home to well over one fifth of the world's population, making one of the most populous geographical region in the world. In the South Asian context, Pakistan is the second - largest country having important strategic endowments and development potential. The country is well connected with regional markets with a vast population, large diverse resources, and untapped potential for trade, banking finance until the first half of 20th century - the Islamic finance was more or less just idea or hypothetical concept. Alhumdulillah, now the shape of Islamic Finance has been completely changed.

The concept has been clear to great extent by user and service provider of Islamic services. The Islamic finance has made a remarkable growth during last several years. The government of Pakistan is committed to advancing its Shariah finance industry with effective regulations and measures and it has had considerable success in development of Islamic Finance Service Industry (IFSI).

At present network of Islamic banking industry consisted of 22 Islamic banking institutions i.e.5 full - fledged Islamic banks and 17 conventional banks having stand-alone Islamic banking branches having total branch network of 2,913 by the end of June, 2019. SBP has been playing a leading role in the promotion and development of Islamic banking in the country on sound footings. The State Bank of Pakistan (SBP) has played a key role in facilitating Islamic banking industry to reach a point of recognition both at the local and international level. SBP is one of the few regulators that have introduced comprehensive legal, regulatory and Shariah compliance framework for the Islamic banking industry.

On non-banking side Securities & Exchange Commission of Pakistan (SECP) is also playing its leading role for promotion of Islamic Finance through non-banking and capital market segments. Within the regulatory regime the Commission regulates important elements of IFSI. These elements include Modarabas,

Takaful Companies and Windows, Islamic mutual and pension funds, Shariah compliant REIT, Islamic capital markets and Shariah compliant listed and private companies.

Within the non-banking Islamic Financial sector of Modarabas are playing significant role for promotion of Islamic finance within the country since last more than 3 decades. The Modaraba Sector being the pioneer in providing Islamic financial services in Pakistan is an important segment of the financial sector. At present 28 Modarabas are operating in Pakistan's financial market as listed entities and engaged in various Shariah compliant business activities.

Islamic Finance Department (IFD) which was established in 2015 has done remarkable job for growth of said industry. IFD carry out functions of Shariah regulations and compliance, product development, market awareness, Shariah securities market development, formation of news and amendment in existing laws. Last year SECP notified Sharjah Governance Regulations 2018, the landmark regulations entail a comprehensive Sharjah governance framework for Sharjah compliant companies and Shariah compliant securities.

The future outlook of the Islamic Finance industry is very positive with bright prospects. Both the regulators i.e. SBP and SECP are playing their due role for the growth and promotion of the Islamic finance industry within the country. According to recent growth particularly induction of new sections and product innovations within Non-Banking Islamic Finance segments, I am confident that said sector will further grow and successfully expand its market outreach and customers acceptability.

### 4. How do you see the role and impact of Fintech in non-banking segments?

Globally, the services sector has been witnessing a shift towards digitization. Growing Internet penetrations is revolution conduct of business. Speedy exchange of information and executes transactions on real time basis. Improved digital connectivity is reshaping consumer behavior which is more convenient and cost effective. Pakistan is also among the economies where digitization is triggering changes in financial services sector. Financial Technology (Fintech) has transformed the financial world as one of the fastest growing segments within financial services and other sectors of economy. With the usage of underlying principles of Block chain technology, Fintech is bringing the financial community together and making financial services accessible to everyone.

Fintech has far reaching implications for Islamic finance such as banking, Investment, Equity Market, Mutual fund, Takaful and Wealth Management, which can be greatly benefited from this usage.



Currently the financial inclusion in Pakistan is very low and it is high time to transform financial services from traditional to digital. With the support of Fintech, the base of shariah compliant services can be expanded across the country particularly in financially underserved segment. SME sector play pivotal role for economic growth and through Fintech support the Islamic financial institutions can successfully deploy their funds by using block chain based Fintech solution in order to expand the numbers of SMEs within financing portfolio. Fintech can enable Islamic finance to attract more customers, increase efficiency and reduce operational costs.

**5. Please tell us about Modaraba sector of Pakistan, its performance and role of regulator for the sector.**

Over the years Modaraba have emerged as major sector within the segment of non-banking Islamic financial institutions. It is viable and dependable source of medium term financing which also offer opportunity to investors to earn Riba-free-income. At present Modaraba sector is vibrant and performing very well. Within Islamic financial sector Modarabas are playing significant role for promotion of Islamic financial within the country. The concept of Modaraba introduced in Pakistan was the first Islamic Shariah business model with statutory framework and proper regulations. Modaraba's business model remains extremely versatile and dynamic. Within the Modaraba model, any type of Shariah compliant business activity can be undertaken with the permission of regulators and Shariah board of SECP. The diversity of the Modaraba concept provides a unique universe of business opportunities to the sector, including financing, trading, manufacturing, equipment rental, portfolio management and distribution business.

During last 10 years, Modaraba sector has performed very well. The assets size reached to around Rs.52.0 billion from of Rs.25.0 billion in 2009.

The said progress clearly reflects better performance of the sector and growing interest of investors in Modaraba model and Islamic Finance as whole.

The office of Registrar Modaraba, SECP is continuously updating applicable laws and regulation on Modaraba sector for promotion and further facilitation of the sector. The amendment in Modaraba Ordinance, Modaraba Rules and Prudential Regulations are underway and legal and consultations processes are also going on with the regulator.

**6. What is the corporate strategy of First Habib Modaraba and how you have been able to implement said strategy, as CEO of said Modaraba?**

First Habib Modaraba (FHM) is operating in Pakistan's financial market as Non-Bank Islamic Financial Institution as one of the pioneers in Modaraba sector. FHM was a first perpetual Modaraba started its business operation in 1985 as a first full fledge Islamic Financial service provider within the nonbanking sector. Recently FHM completed 34 years of successful business operation and grow over the year on sound footing with the commitment of adding value to all our stakeholders Particularly Certificate Holders and investors.

Over the years FHM has been continuously recognizing for its satisfactory result, good corporate governance, best report culture and sound and stable credit rating. With a thrust to achieve operational excellence, FHM continue to improve operational processes, infrastructure and professional grooming of human resource in order to provide quality and reliable customer services including compliances of all regulatory and Shariah requirements.

Our commitment to enhance value for our stakeholders, driven through resilience of our business model and determination of our team members made us sound and leading Modaraba within the Modaraba sector. The relationships that exceed beyond normal business this is how we have acquired the standing we possess today as most progressive Modaraba holding the loyalty and trust of thousands of stakeholders across the country.

Our achievements are evidence to the solid business fundamentals and consistent financial management policies practiced across the Modaraba. Our focused business strategy keeps us firmly on path of sustainable growth and profitability.

As one of leading non-banking Islamic financial institutions, our core corporate objective always drive to create value for the society at large. Our financial strength, risk management protocols, governance framework and aspirations for sustainable growth are directly attributable to a discipline that regularly brings prosperity to our all stakeholders particularly our worthy investors and customers. Ambition, discipline and corporate excellence always motivate us for even better results. It is the combination of these key elements that frame our optimistic outlook for the future as well.

We sincerely believe that above all success and achievements are due to Blessing Allah (SWT) and hard dedicate work of entire staff members through excellent team work across all levels of the organization. We thank Almighty Allah and bow our head for His blessing and bestowing upon us of journey of continuous success.



## 7. What are achievements/hallmarks which make FHM prominent Modaraba within the sector?

FHM is a diversified Islamic Financial services provider known for its quality products and services to customer, prudent risk management and Shariah governance. Since inception, the FHM has been committed to follow its core values which always remain cornerstone of FHM'S business philosophy. Being the forerunner in Modaraba sector, FHM grew over the year on sound footing with the commitment of adding value to customers and investors. Our constant commitment for performance, excellence and good governance have not only kept us as leading Modaraba within the sector but also earned us recognition at national and international level. Following are achievements /hallmarks which make FHM prominent within the sector.

- Sound Equity of over Rs.3.300 billion
- Highest assets size within the category of financial services Modarabas
- Unbroken history of payment of excellent dividends every year since inception
- Highest rating scale within the Modaraba sector i.e., AA+ of long term and A1+ of short term.
- Highest recipient awards and accolades from various prestigious forums at local and international levels. These awards are on best performance, best corporate disclosure and corporate excellence, best on non-bank Islamic finance entity and reputable bodies, such as NBFi and Modaraba association, ICAP and ICMAP, Management Association of Pakistan, and SAFA and apex body of SAARC and FPCCI.

## 8. How do you see future outlook of Modaraba and NBFi sector particularly with context of overall Islamic finance industry of Pakistan.

During last on decade, the IFIS has made impressive progress and completely changed landscape of Islamic Finance within Pakistan. The industry has delivered several innovative Shariah compliant products and services which have met the need and demand of faith based customers to great extent, Islamic financial institutions have the potential to be major contributors towards growth and broad based development of a country due to their closer link with real economic activities. There is a natural connection between Islamic finance principles and responsible finance. The aim is to create a more equitable financial system that should have positive and tangible impact on the economy and people at grass root level.

Islamic finance is taking strong roots in Pakistan with the support from the government, SBP and SECP. Besides the growth in Islamic financial assets, a sustained progress is being made on long term basis in regulations, legal framework and capacity building of market players. The IFSI has been established on solid footing and has very bright future in Pakistan for further growth.

Modaraba model in Pakistan having the corporate status is a unique business model all over the world. It provides an opportunity of Halal business/investment to the general public and its custody to the skilled managers. It can carry out a universe of Shari'ah compliant businesses encompassing financial products and services, local and international trading, manufacturing, distribution and various corporate functions under one umbrella and one license.

Recently we have seen few new Modarabas have entered within the Modarabas have entered within the Modaraba Sector through public floatation which is very encouraging move within non-banking segment. I am confident that with the accommodative approach of regulator to address the issues in the competitive environment there is no doubt that Modarabas would definitely find their way to very bright future and set new milestones. Within upcoming changes in Modaraba laws and regulations will support for further development and facilitation of the sector within financial market particularly most significant expected change of provision of unlisted or private Modaraba within the sector. It is anticipated that said new change in regulations will encourage new corporate group to initially establish new Modaraba as unlisted Modaraba and convert the same into a listed within few years if the venture perform well.

This Interview was published in the Special Supplement of Business Recorder dated 31st December 2019

# Modaraba – A Unique Model

Islamic sharia has enunciated a set of principles, which provides basis and limits for all kinds of business in general and economic and commercial transactions in particular. Principles pronouncing justice, mutual help, free consent and honesty on the part of the parties to a contract avoiding fraud, misrepresentation and misstatement of facts and negation of injustice or *Zulm* provide grounds for valid contracts. Principles providing for prohibition of *Riba*, *Gharrar Jahl*, *Darar*, *Maysir* and *Qimar* (gambling) define invalid and voidable contracts and demarcate the limits which should not be crossed.

Modern Islamic finance emerged from a belief that conventional forms of financing may contain certain elements prohibited by Sharia, since the Holy Quran forbids taking interest. As an alternative, a myriad of Islamic financial transactions have been innovated based on a combination of classical trade based contracts and other accompanying agreements.

The Modaraba Sector being the pioneer in introducing Islamic Finance as an alternative to the conventional system of finances in Pakistan, is an important segment of the financial sector. Modaraba Companies and Modaraba (Floatation & Control) Ordinance, 1980 was promulgated in 1980 and Modaraba Rules were framed in 1981 and subsequently Prudential Regulations for Modarabas were issued in 2004.

## MODARABA FINANCING:

Modaraba Financing is regarded as the most preferred mode of finance in Islamic financial industry.

The word "Modaraba" is derived from the Arabic word "Al-darb fil ard" which means to travel through the land and seeking bounty of Allah. This is related to trade because trade usually involves travelling. Mudaraba Qiraad and Muqaradah terms are used to express a specific business in which the capital is provided by one party (Rabul-Mal) whereas the labor or work is provided by the other party (Mudarib). It therefore, signifies a contract of partnership in which the owner of the fund is entitled to profit on the physical involvement in the shape of capital and the other is entitled to profit on account of its efforts in the shape of skill and labour provided that the loss if any, is borne by the owner of the capital. It is this

aspect of contractual relationship which must be based on absolute trust and unblemished honesty with which business under modaraba has to be run otherwise the very purpose of its operation shall become void and unislamic.

The legitimacy of Mudaraba which is a contract of fidelity has been established on the basis of Holy Quran, Ahadiths, Ijma and Qiyas. The mostly quoted incident of commercial contract between Holy Prophet (PBUH) and Hazrat Khadija (RA) has been narrated in many renowned books of Sirah and history but on the critical analysis shows that it was a contract of Mudarabah but of fixed remuneration (Ujrah) i.e. labor charges. The said narration gained much popularity that it was quoted by many Sirah writers. The prominent scholars on Islamic banking and finance have also stated it to be a Mudaraba contract.

In the pre-Islamic period, the modaraba contract was prevalent on the condition that profit was to be shared on the basis of agreed ratio between Rab-ul-mal and the Mudarib. However, in case of loss it was to be borne by the Rab-ul-mal only. This basic and fundamental principle of Modaraba was maintained by the Holy Prophet (Peace be Upon Him). There were, however, added or imposed certain conditions to the contract of the modaraba in the light of teachings of Islam, which have been discussed in detail by the Scholars and are to be found in the Books of Fiqh.

## MODARABA – AN ENTITY

Modaraba is a prime mode of Islamic finance and in all over the world this is being used as a product only and is undertaken in accordance with the Sharia guidelines. In Pakistan, Modaraba is not only being used as a product but it is also an entity which has a proper legislature and being regulated by the Securities and Exchange Commission of Pakistan.

Government of Pakistan recognized the concept of Modaraba for Islamisation of the economy in the financial sector and passed the Modaraba Companies & Modaraba Companies (Floatation & Control) Ordinance, 1980 to provide a legal framework for organizing business enterprises according to the injunctions of Holy Quran and Sunnah. The Ordinance was promulgated on 26<sup>th</sup> June, 1980. In the subsequent year, Modaraba

Rules, 1981 were framed to carry out the purpose of Modaraba

Initially the concept of the Modaraba institution could not attract the entrepreneurs mainly due to lack of awareness of the business model as well as lesser demand from the investors. However, the first Modaraba namely "Twin Tower Modaraba" was floated in 1980 which was a specific purpose modaraba and was established for the construction of a multi-storied building at Karachi. After completion of the project the modaraba was wound up.

During the period from 1981 to 1990, only 19 modarabas were licenced and 15 were floated. However from the period 1991 to 1995, the number of modarabas licenced increased from 19 to 63 while floatation of modarabas increased from 15 to 39. The rapid growth of Modaraba concept was an expression of confidence by the entrepreneurs and investors in the Islamic modes of business.

#### **BUSINESS OF MODARABAS:**

Prior to 2008, Modaraba Sector was using only three products of Islamic modes of financing i.e. Murabaha, Musharaka and Ijarah. The respective agreements had been approved by the Religious Board more than three and a half decades back. In view of the significant research and developments undertaken and evolution of the Islamic financial system globally and also in Pakistan, it was felt necessary to redraft the previous agreements and also to introduce new products to broaden the business capabilities of Modarabas.

In the year 2008, the Religious Board chaired by Justice (R) Mian Mahboob Ahmed approved model financing agreements viz-a-viz (i) Diminishing Mushraka (ii) Ijarah (iii) Murabaha (iv) Musharaka (v) Salam (vi) Istisna (vii) Mudarabah (viii) Musawamah (ix) Syndicate Mudarabah (x) Syndicate Musharaka and (xi) Islamic CFS Murabaha.

In addition to the above, the Religious Board has also approved issuance of "Modaraba Sukuk" to corporate as well as individual investors by Modarabas which will cater to short term resource mobilization for Modarabas.

#### **SHARIAH COMPLIANCE**

Modaraba being an Islamic Financial Institutions requires compliance of the Modaraba Ordinance, 1980, Modaraba Rules, 1981, Prudential Regulations and Guidelines prescribed by Shariah for Modarabas for its execution. To achieve this objective, the Securities & Exchange Commission of Pakistan (SECP) has a Religious Board which approves the business of Modaraba and provides direction to achieve the Maqasid al Sharia under the control of the Registrar Modaraba, SECP.

Towards quality improvement of Shariah compliance of Modarabas, SECP launched the Shariah Compliance & Shariah Audit Mechanism (SCSAM) for Modarabas whereby Modarabas are required to appoint a Shariah Adviser who will look after their shariah issues and provide them guidelines on an ongoing basis. The Mechanism also requires setting up of Shariah Compliance structure which can ensure compliance at every stage on a continuous basis.



This article is written by Mr. Muhammad Samiullah, Secretary General NBFI & Modaraba Association of Pakistan & was published in the Special Supplement of Business Recorder dated 31st December 2019



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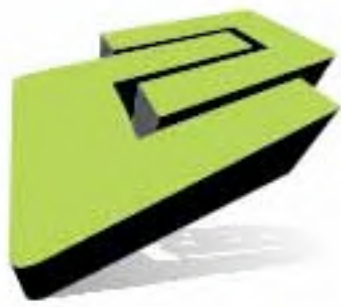
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# Articles



# FATF and AML/CFT Regime in Pakistan

## Background

The Financial Action Task Force (FATF) is an inter-governmental policy-making body that was established in 1989 to help protect the integrity of the international financial system against misuses for money laundering and terrorist financing. The FATF has developed key recommendations to guide the countries on the development and implementation of effective Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) regimes in their jurisdictions. It also assesses the compliance of different jurisdictions with these recommendations and assesses the effectiveness of AML/CFT framework to identify any weaknesses. If a jurisdiction is identified as having strategic deficiencies in its AML/CFT regime, other jurisdictions and entities (which recognize the FATF's Recommendations as the international standards) may enhance scrutiny and restrict trade and financial transactions with such identified jurisdiction. This move encourages the identified jurisdiction to plug the gaps and enhance compliance with the AML/CFT standards. Furthermore, FATF calls on its members to apply counter-measures against natural and legal persons from jurisdictions identified on FATF's public statement as posing substantial ML/TF Risks to the global financial system.

The FATF is supported by a network of FATF-Style Regional Bodies (FSRBs) in implementing and enforcing its Recommendations. The Asia/Pacific Group on Money Laundering (APG) is one such FSRB, which is an autonomous inter-governmental organization, consisting of 41 member jurisdictions which ensures the effective implementation of these international standards. While Pakistan as such is not a member of the FATF, the country is associated with it through membership of the APG, since 2000..

## Placement on Grey-List In June 2018,

Pakistan was identified as a jurisdiction with strategic AML/ CFT deficiencies. Pakistan has made a high-level political commitment to work with FATF and APG to implement an action plan to strengthen its AML/ CFT regime and address the strategic counter-terrorist financing-related deficiencies by demonstrating that :

- terrorism financing (TF) risks are properly identified and assessed, coordination on TF risks is improving, and law enforcement agencies (LEAs) are investigating the widest range of TF activity
- TF prosecutions result in effective, proportionate and dissuasive sanctions, and that the capacity and support for prosecutors and the judiciary has been enhanced;
- remedial actions and sanctions are applied in cases of AML/ CFT violations
- enforcement action is being taken against illegal money or value transfer services (MVTs);
- authorities are identifying cash couriers and enforcing controls on illicit movement of currency;
- targeted financial sanctions are being effectively implemented (including enforcement actions against violations); and
- facilities and services owned or controlled by designated persons are deprived of their resources and the usage of the resources.

Pakistan is working to implement the action plan by September 2019 to negotiate an exit from the "grey-list". In the interim, the FATF's International Cooperation Review Group (ICRG) and APG have been holding a series of meetings with Pakistani representatives to monitor Pakistan's progress vis-à-vis the action plan

## Pakistan's AML/CFT Regime

Pakistani authorities give high importance to the effectiveness of AML/CFT regime. In this regard, SBP is taking initiatives, on regular basis, for strengthening the overall AML/CFT regime. SBP introduced AML/ CFT Policy Framework for its regulated institutions in 1990s and over the years, it has been strengthened in the light of emerging best practices.

The AML law in the country was promulgated in 2007, which defines the legal obligations in respect of money laundering and terrorist financing, and enjoins the roles and powers of different stakeholders and law enforcement agencies. To facilitate implementation of the law, a full-fledged Financial Monitoring Unit (a financial intelligence unit) receives suspicious transactions reports (STRs) and currency transactions reports (CTR) from different reporting entities and (after due analysis) refers the potential cases of money laundering and terrorist financing to the respective investigation agencies in the form financial intelligence for further examination/ investigation and prosecution.

While Pakistan's legal and regulatory framework is quite comprehensive, the country is currently working on further enhancing the effectiveness of the AML/ CFT regime. The country has recently taken a 140 BPRD Circular Letter No. 16 of 2018 141 FE Circular No. 09 of 2018 number of significant measures and initiatives to further strengthen the AML/ CFT framework. In this regard, SBP has issued or strengthened the following set of guidelines and instructions to its regulatees:

- To align AML/CFT Regulations with the Financial Action Task Force (FATF) Recommendations, various provisions of the regulations have been amended to provide further clarity on requirements relating to customer due diligence (CDD), correspondent banking, wire transfers/ funds transfers and minimum documents required for opening accounts by customers.
- For strict compliance of Statutory Regulatory Orders (SROs) and Notifications issued by the Government of Pakistan under the United Nations (Security Council) Act, 1948 and Anti-Terrorism Act (ATA), 1997, detailed guidelines for ECs have been issued on Targeted Financial Sanctions (TFS) for prevention of Terrorism Financing and Proliferation Financing under UNSC Act, 1948 and ATA, 1997
- Banks have been advised that sponsor shareholders/beneficial owners, directors, Presidents and key executives (persons subject to FPT) will become disqualified if they are designated/proscribed or associated directly or indirectly with designated/proscribed entities/persons under United Nations Security Council Resolution or Anti Terrorism Act, 1997.
- Enhanced the scope of Know Your Customer (KYC) standards and documentation requirements for ECs.

SECP and other bodies have issued the following set of instructions and guidelines for strengthening AML/CFT for entities in the non - bank financial sector and other corporate entities:

- Associations with Charitable and Not for Profit Objects Regulations, 2018 have been issued to specify procedures to grant licenses to associations with charitable and not for profit objectives, incorporation of association as a public limited company, fit and proper criteria, provision for revocation of license and winding up, and monthly reporting requirements.

- AML/CFT Regulations, 2018 have been issued to provide a consolidated set of regulations for financial institutions under the ambit of the SECP including Modarabas, Insurers, Non-Bank Financial Companies (NBFCs), etc. to harmonize the AML/ CFT regime. The Regulations have adopted a risk-based approach towards combating ML/TF, and are focused on high risk areas including politically exposed persons, legal persons, legal arrangements with complex ownership structures, etc. –
- Anti Money Laundering and Countering Financing of Terrorism Regulations, 2018 have been amended to bring further clarity on various aspects including beneficial ownership, legal persons, Counter-measures against high risk countries, etc.
- AML & CFT Guidelines for Real Estate Agents 2018 have issued to bring the real estate agent into the regulatory ambit of AML/ CFT regime. The guidelines recommend complying with AML laws/ regulations while reporting Suspicious Transactions and Cash Transactions, implementing CDD measures, keeping proper records, etc.

Pakistan Post, being a saving bank and money transfer services provider to the general public, has issued AML/CFT Regulations in October 2018 to deter the risks of money laundering and financing of terrorism. Similarly, the designated non-financial business and professions (DNFBPs) such as real estate agents, charities, jewelers, etc. have been brought under the ambit of AML/CFT regime.

From the implementation perspective, regulatory bodies and other government entities are taking measures for effective enforcement of the AML/CFT related regulation. SBP is strictly enforcing its regulations and instructions and is taking penal actions against such regulated institutions, which have been found delinquent during the supervisory process. These institutions have also taken disciplinary actions against concerned employees including issuing reprimands, incremental stoppage, etc.

Similarly, the Federal Board of Revenue (FBR) has taken extensive measures to counter illicit movement of currency<sup>144</sup>. These measures include launch of an extensive risk mitigation strategy to curb cash smuggling, increased currency seizures, implementation of Currency Declaration Systems (CDS) at international entry/ exit points, etc.

Overall, Pakistan's AML/ CFT regime has further improved during the period under review. Presently, adequate legal and technical infrastructure is in place and the government is highly committed to address any remaining deficiencies in the AML/CFT regime. It is hoped that these enabling factors coupled with ongoing efforts to enhance the capacities of relevant agencies as well as strengthen inter-agency cooperation will help to deliver on the action plan and address those strategic deficiencies.

### Recent Development

In order to further align Anti-Money Laundering and Combating of Financing of Terrorism (CFT) Regulations with the Financial Action Task Force (FATF) recommendations, the State Bank of Pakistan (SBP) has amended various regulations for financial institutions.

Pakistan was put on the grey list of FATF and since then making serious efforts to delist from grey list of FATF, which in October, 2019 has asked Pakistan to complete its full action plan by February, 2020. SBP's recent measures are a part of these efforts to meet the FATF action plan for the deadline. With an objective to preserve the integrity, soundness and safety of the financial system, State Bank of Pakistan is endeavoring to prevent the possible use of banking channel for money laundering, terrorist financing, proliferation financing and other illicit activities.

In addition, with a view to further align the AML/CFT Regulations with requirements embodied in FATF recommendations and observations highlighted in Pakistan's Mutual Evaluation Report, 2018, SBP has also decided to amend various provisions of the regulations on AML/CFT for all Banks and DFIs.

Source: State Bank of Pakistan

This Article is compiled by:  
Muhammad Samiullah, Secretary General, NBFI & Modaraba  
Association of Pakistan



# The Development of SME in Pakistan.

## Introduction:

SME is the notion denoting Small and Medium Enterprises. As defined by the State bank of Pakistan (SBP), a small enterprise (SE) is a business entity which does not employ (including contract employees) more than 50 persons and annual sales turnover Rs.150 million (Rs.15 Crore). A Small enterprise (SE) can obtain Rs.25 million finance (2.5 Crore) from one Bank or more than one Bank or DFIs.

Medium sizes Enterprises (ME) are divided into following three categories on the nature of their business.

1. Industry Oriented Business
2. Services Provider Units
3. Trading or Business

MEs doing industrial and services business can employ upto 250 employees, whereas this limit is kept only 100 employees for Trading/ Business units. ME can have a sales turnover of Rs. 800 million (8 crore). These enterprises (ME) can obtain finance up to Rs. 200 million (20 crore) from Banks /DFIs in total.

Enterprise category	Employment size	Paid UP Capital Up to	Annual Sales up to
SME	Up to 250	Rs. 25 M	Rs. 250 M

Authorities in Pakistan do not have a single definition for Small and Medium Enterprises and various government agencies use their own definitions.

## State Bank of Pakistan

"Small and Medium Enterprise" means an entity, ideally not a public limited company, which does not employ more than 250 persons (if it is manufacturing concern) and 50 persons (if it is trading / service concern) and also fulfills any of the relevant following criteria:

- (a) A trading / service concern with total assets at cost excluding land and buildings up to PKR 50 MN
- (b) A manufacturing concern with total assets at cost excluding land and building up to PKR 100 MN
- (c) Any concern (trading, service or manufacturing) with net sales not exceeding PKR 300 MN as per latest financial statements

## SMEDA

Small & Medium Enterprise means an entity which employs up to 250 Employees, their paid up capital is 25 million and their annual sales must reach the figure of 250 million.

The Federal Government, in line with the economic development of Pakistan may, from time to time modify the eligibility criteria as it sees fit.

## Federal Bureau of Statistics

Less than 10 employees

## Sindh Industries Department

Entity engaged in handicrafts or manufacturing of consumer or producer goods with fixed capital investment up to PKR10 MN including land & building.

In Pakistan, definition of SMEs varies from different institutional point of view. As SBP plays a regulatory authority for the banks therefore banks follow the guidelines issued by the SBP for the banking industry. As per prudential regulations issued by State Bank of Pakistan SMEs are defined in terms of assets, number of employees and sales as per the nature of the industry like manufacturing, trading or services concern as under:



	Trading	Manufacturing	Services
No. of Employees up to	50	250	250
Total Assets at cost up to	Rs.50 M	Rs 100 M	Rs 50 M
Total Sales turnover up to	Rs 300 M	Rs 300 M	Rs 300 M

Assets are considered excluding the cost of land and building.

### An overview of SMEs in the Economy of Pakistan:

Small and Medium Enterprises (SMEs) play an important role in economic development and constitute nearly 90% of all enterprises in Pakistan, employ about 80% of the non-agricultural labour force and contribute almost 40% towards the country's Gross Domestic Product (GDP) and 25% to export earnings. According to the annual report of the Small and Medium Development Authority (SMEDA), there were about 1.7 million SMEs in Pakistan in 2013, employing about 15 million people. The number would be much higher if micro-firms and sole proprietorships were also included.

However, SMEs, micro-firms and sole proprietorships face numerous obstacles which threaten their survival in Pakistan. According to a Gallup survey conducted in 2004, SMEs rely primarily on personal finances, loans from friends and family and credit from suppliers. The role of banks in providing financing to SMEs is limited. Besides inadequate availability of funds, poor marketing of products, shortage of skilled labour and a general lack of knowledge have also been stated as causes towards closures. Small and Medium Enterprises (SMEs) play a major role in the economic development of Pakistan, but due to a lack of financial access in this sector, growth is marginal and they are not receiving their due share from formal source of financing from banking sector hence lacking in development.

The SMEs borrow for running or establishing Trading, Services and Manufacturing businesses. SMEs' service sector is leading the pack and as of June 30, 2017 services sector borrowed 38 percent of overall SME borrowing. Trading is on second with 34 percent and manufacturing sector's share at 30 percent. This sector has a great potential which can play a very vital and progressive role in the economy of the country. SMEs account for 30-40 per cent of employment in the country and are labor intensive; the consequential rise in its productivity and efficiency would make a significant contribution in accelerating employment generation, GDP growth and poverty reduction.

In Pakistan, SMEs constitute over 9% of the estimated 3.2 million Economic Establishments, 44% in rural areas and 56% in the urban areas. ([www.sbp.org.pk](http://www.sbp.org.pk))

### SMEs Financing in the International Scenario:

The importance of SMEs sector cannot be denied in any economy of the world either developed or developing. SMEs play a major and vital role in the growth of GDP, Poverty reduction, employment generation and considered as a locomotive of economic growth.

Developed countries like USA, UK, Canada, Japan, Germany, China and South Korea focused on their SME industries and got the best results for the economy at large. Similar positive results were obtained in India, Turkey, Bangladesh and Sri Lanka by taking effective measures to promote SMEs.

The developing countries, which are leading the world's economy, are providing finance to their SME sectors. From 2010 to 2016, SME credit to GDP ratio was at an average of 137 in China, 118 in Malaysia, 63 in Turkey, 52 in India and Pakistan was second to last with an average of 16.

In term of percentage of SMEs financed by banks, Sri Lanka is leading with 35.4 percent, Chile at 32.5 percent, India with 18.1 percent and Pakistan is at the bottom with only 2 percent.

## Role of Banks in the development of SME Sector.

Pakistani Banks started focusing on small and medium enterprise (SME) sector during the years 2004-2006. Consequently, SME financing (Rs. 408 billion) reached at 17 percent of total private sector financing by banks & DFIs in December 2006. However, following the economic slowdown since 2007-08, SMEs became less profitable and highly risky ventures for bankers. SBP has been making efforts and playing supportive role due to which SME financing started rising from 2013. The outstanding SME financing crossed Rs 400 billion in December 2016 compared to Rs 284 billion in December 2013, which was 9 percent of total private sector credit.

Over the five years, SMEs financing portfolio of banks and DFIs has shown a growing trend with an average annual growth rate of nearly 11%. SMEs financing reached its highest peak of Rs, 449 billion in December, 2017.

### Special Products offered by Banks to SME Sector:

State Bank of Pakistan is playing major role in promoting the SME sector in Pakistan. SBP directed and encouraged the commercial banks to develop the specialized products for SME customers in the country for growth of this sector. Resultantly commercial banks developed following SME products:

#### United Bank Ltd

- Rice Paddy Advances
- Cotton Ginners Advances
- Credit Facilities against liquid securities
- Running Finance for SMEs

#### Bank Alfalah Ltd

- Alfalah Karobar Finance
- Alfalah Milkfat Finance
- Alfalah Quick Finance

#### Standard Chartered Bank Ltd

- Tana Bana (For Textile weavers)
- Rang Hi Rang (For Textile dyers)
- Kissan Card (Agri Sector)
- Agri Deal (Agri Sector)

#### Bank of Punjab

- Lady entrepreneur Financing Scheme
- Karobar Bahraho Scheme
- Franchise Financing Scheme
- Atlas Honda Dealer Financing Scheme
- Millat Tractors Dealer Financing Scheme

#### Citi Bank

- Running Finance for SMEs
- Term loans for SMEs

#### NIB Bank Ltd

- Small Business Loans
- Salaam Business Loans

#### SME Bank Ltd

- Smart Loans
- Asset Finance
- Running Finance for SMEs

#### Atlas Bank Ltd

- Agri Line

The above banks are offering specialized products for the SME sector. Other banks, especially some major leading banks like MCB, HBL, and NBP are also offering regular products to SME sector.

### SME Financing by Banks / DFIs.

The banking industry exposure towards SME sector is considered as the second largest one after the Corporate Sector. The outstanding credit portfolio of the banking industry to Small and Medium Enterprises during the year 2008 remained as under:

### SME Credit Portfolio

S. No.	Group of Banks	O/S amount
<b>Loans to Small and Medium Enterprises (Rs. in M)</b>		
1	Public Sector Banks	391,79
2	Private Sector Banks	311,644
3	Specialized Banks	9,411
4	Foreign Banks	2,816
<b>Total</b>		<b>363,050</b>
5	DFIs	503
<b>Grand Total</b>		<b>363,554</b>

(Source: SBP review on SMEs 2008)

### FINANCIAL NEEDS OF SMEs

- Fixed assets – to pay for the fixed assets to start any business SMEs need access to finance.
- Salaries and expense – to run the business, operating expense and salaries are required in a timely manner.
- Utilities – other than salaries need to be paid for in a timely manner
- Periodic fixed assets – a business may require at every cycle a certain amount of investment in fixed assets.
- Low income period – with seasonality and trend affecting the market there are low income periods for which the SMEs need to plan for.
- Emergency needs – these can come up in the form of both personal and professional.
- Ramp-up – this will require additional investments as increase in firm production ahead of anticipated increases in product demand will require making these investments upfront.
- Loan repayment – the loans taken by the borrower need to be paid back in time.
- Raw material / working capital – there is a continuous need for raw materials and working capital to run any business.

### Role of State Bank of Pakistan (SBP) in the Development of SMEs.

Development of SME is one of priority sector on the agenda of SBP and the central bank has taken many important initiatives for the promotion and development of this sector by introducing different kind of facilities for SME. These facilities, ranging from short to long term, provide incentives like markup subsidy (under government schemes), risk sharing and mix of both.

SBP has been taking several initiatives for promotion and development of SMEs in the country. Some of these include issuance of separate Prudential Regulations (PRs) for Small Enterprises (SEs) and Medium Enterprises (MEs), efforts for putting in place a Secured Transaction Registry in the country, implementation of supportive financing schemes for SMEs like credit guarantee scheme and other refinance schemes for SMEs, implementing the PM Youth Business Loan Scheme and capacity development measures for banks/DFIs.

During the last few years SBP has taken various steps for promotion of SME in the country, as follows:

- Establishment of SME Division
- Separate Set of Prudential Regulations for SMEs
- Establishment of SME Finance help Desk
- SME Finance Strategy
- Developed concept paper on SME Credit rating agency.
- Concept Paper on SME private equity Fund.
- Comprehensive policy for promotion of SMEs Financing (Launched in Dec: 2017).

### **SBP initiatives to support SME financing mainly include:**

- i. improving regulatory framework through revising prudential regulations, strengthening secured transactions framework and introduction of SME targets
- ii. market development through SME supportive subsidized refinance schemes, risk coverage scheme, Islamic SME financing, cluster surveys and non-financial advisory service and
- iii. improving capacity building and awareness creation of bankers and SMEs.

Under National Financial Inclusion Strategy (NFIS) and strategic direction of SBP, SME sector has been identified as one of the key priority areas. In line with the strategic direction of SBP, key benchmarks to be achieved by 2020 are:

- i. to increase SME share from existing 9 percent of private sector credit to 17 percent and
- ii. to increase number of borrowers from existing 174,000 to 500,000.

To achieve these objectives, a comprehensive policy has been launched in December, 2017, for promotion of SME finance (conventional & Islamic) in Pakistan. There are 9 key pillars of this policy which include improving regulatory framework, up scaling of micro finance banks, risk mitigation strategy, simplified procedures for SME financing, program based lending & value chain financing, capacity building & awareness creation, handholding of SMEs, leveraging technology and simplification of taxation regime besides, adoption of technology for SMEs

SBP is also providing liquidity to banks and DFIs for onwards lending to SMEs at discounted rates under different refinance schemes such as Refinance facility for Modernization of SMEs. Financing facility for storage of Agriculture produce and financing for Renewable energy are long term facilities to meet the capital expenditures of SMEs. For short term liquidity needs, export finance scheme and Refinance Scheme for working capital financing of SMEs, are being offered. Further, a refinance Scheme with subsidized rates and risk coverage has been offered for female entrepreneurs of rural areas of the country.

Creation of secured Transaction Electronic Collateral Registry (E-Registry) is another important market infrastructure development initiative underway to facilitate SME's borrowers to access credit from banks and DFIs by creating charge on their movable assets as collateral. ([www.sbp.org.pk](http://www.sbp.org.pk))

### **Initiatives of SMEDA for SMEs**

Availability of Business Development Services (BDS) and encouraging its use by SMEs is imperative for developing an entrepreneurial culture in any developing economy. SMEDA plays an important role in providing SMEs various business development support services. Small and Medium Enterprise Development Authority (SMEDA) in collaboration with its partner Financial Institutions, has made available, through its official website, a searchable database of formal financing products available to SMEs from partner Financial Institutions. An SME is required to provide information regarding bank of choice, purpose of loan and business sector to generate a list of available and relevant formal financing options. ([www.smeda.org.pk](http://www.smeda.org.pk))



## Initiatives Taken by SECP for the Development of SME:

Being an integrated regulator of the corporate and financial sector in Pakistan, Securities and Exchange Commission of Pakistan (SECP) has embarked on a strategy of improving the existing regulatory framework to facilitate and develop these sectors. Several initiatives have been taken by SECP to promote the development of the SME sector in Pakistan. ([www.secp.org.pk](http://www.secp.org.pk))

In order to promote SME financing, three major stakeholders SBP, SMEDA & SECP (3S) have embarked upon various initiatives for SME sector development and facilitate SME borrowers. Focus of SBP initiatives is towards improving access to finance; fulfilling the credit needs and helping the SME businesses to flourish. SMEDA, through various initiatives, aims to develop the necessary skills required by SMEs. SECP provides a favorable regulatory environment for SMEs for registration and incorporation as a company.

### Analysis of Banks lending to SME Sector.

Outstanding SME Financing of the banks/DFIs improved by 8.34 percent as compared to previous year in March, 2015 and stood at Rs. 284 billion as on 31st March, 2016. On Q-o-Q basis, SME financing showed a decline of almost 7 percent when compared with December, 2015. Facility-wise breakup shows that the working capital financing constituted 68 percent of outstanding SME financing followed by fixed investment and trade finance with shares of 24 percent and 10 percent respectively. Banking Group-wise distribution of SME financing shows that the share of private sector banks in outstanding SME financing was the highest at 64 percent. Private sector banks were followed by public sector banks, which shared around 29 percent of total SME outstanding loan amount. SME financing by Islamic Banks and Islamic banking divisions (collectively called IBIs) decreased by 9 percent when compared to the previous quarter. IBIs showed an increase of 74 percent when compared to the same quarter of the previous year. There was a decrease of 24 percent in share of Islamic Banking Divisions of conventional banks when compared to previous quarter. The number of SME borrowers stood at 163,604 (from 158,387) during the quarter under review. On Y-o-Y basis, there was a significant increase of 13 percent in the number of SME borrowers. Different studies show that SMEs contribute 30 percent to the GDP of the country but, formal sector's financing to SMEs makes just 1 percent of the GDP. SME outstanding financing is 7.85 percent of total private sector credit as on 31st March, 2016.

As of December 31, 2016, total number of SME borrowers stood at around 177,000 and outstanding SME financing of banks/ DFIs was Rs 401 billion<sup>2</sup> showing an increase of 31 percent on Y-o-Y basis. The share of SME lending as percentage of total credit to private sector was 9 percent as of Dec 31, 2016.

Category	SME Financing Profile of Banks/DFIs					Amounts in Billion Rs.	
	Periods ending			Change		Q-o-Q	Y-o-Y
	Mar-15	Dec-15	Mar-16				
Outstanding SME Financing	261.75	305.09	283.58	-7.05%	8.34%		
SME Financing as % of Total Outstanding Credit	5.80%	6.13%	5.73%	-	-		
SME Financing as % of Private Sector Financing	7.69%	8.28%	7.65%	-	-		
SME Finance NPLs	82.13	77.17	82.23	6.20%	0.12%		
NPLs as % of Outstanding SME Financing	33.83%	25.29%	29.00%	-	-		
No. of SME Borrowers	145,031	158,387	163,604	3.20%	12.81%		
Ratio of SME Financing to GDP at mp (2014-15)	0.96%	1.11%	1.04%	-	-		
* . YoY: Year on Year      mp= market price							
Source : SBP							

## SMEs financing in 2017.

SMEs financing reached its highest level of Rs. 449 billion in December, 2017. It is envisioned that by 2020, SMEs financing as percentage of Private Sector Credit will increase from current level of 9% to 17% with SME borrowers go up to five hundred thousand in number.

### Credit Guarantee Scheme(CGS) for Small & Rural Enterprises:

The central bank (SBP) offers the risk coverage through its credit Guarantee Scheme (CGS) for small and rural enterprises with the aim to provide comfort to the banks and DFIs to lend SMEs, particularly collateral – deficient. In future, the CGS will be converted into an independent Credit Guarantee Company. SBP, in collaboration with DFID and Government of Pakistan, launched a Credit Guarantee Scheme (CGS) for Small and Rural Enterprises in March 2010. Under the Scheme, 40% of credit losses of lending banks/MFBs on their short to medium term loans (3 to 5 years) to Small and Rural Enterprises are shared. The CGS utilization for the period ending March, 2016 was around 72%. Sixteen DFIs have been allocated credit exposure limits of Rs 8.4 billion with guarantee coverage of Rs 3.36 billion up to December 2016. Bank-wise utilization of the limits in terms of percentages is given in the Table below:

TABLE: Utilization of participating Financial Institutions in CGS

No	Participating Financial Institution	% Utilization
1	ABL	52%
2	BURJ BANK	6%
3	FAYSAL BANK	64%
4	HBL	84%
5	MCB	92%
6	NBP	43%
7	TAMEER MFB	84%
8	THE BANK OF KHYBER	100%
9	UBL	24%
10	BANK ALFALAH	37%
11	FINCA	100%
12	ADVANS	67%
13	MEEZAN BANK	9%
<b>TOTAL UTILIZATION</b>		<b>72%</b>

Source: SBP

### Conclusion:

SMEs Sector plays an effective and vital role in economic development of a country and considered to be the backbone of any economy. In Pakistan; it constitutes over 90% of the estimated 3.2 million Business Establishments and contributes nearly 30 to 40% to GDP and 25% to export earnings and responsible for 60 pc of the total jobs.

SMEs financing reached its highest peak of Rs, 449 billion in December, 2017. Over the last one decade the share of SMEs in total private sector credit declined to 7.5 pc as compared to 20 pc in Bangladesh and 29 pc in Turkey. Various Governments in the country over the past two decades have taken policy initiatives for resolving multiple issues facing the SME sector to create a favorable regulatory framework and increase their access to formal finance. But due to lack of a focused approach and political support none of these initiatives has yielded the desired result so far.

Cognizant of its crucial significance, SBP has been making all possible efforts to create a favorable financial environment for SMEs to prosper and play their due role in the economy and the efforts of the central Bank for pushing the commercial banks to enhance their SME loan portfolios have also failed to achieve the desired targets.

However, despite economic importance of SMEs, they are not receiving their due share from formal source of financing from banking sector hence lacking in development. One of the major constraints in a smooth flow of finance to this sector is unavailability of organized financial information with regard to the various products offered by the banks and DFIs.

### Recommendations / Suggestions:

- o Banks should guide the customers when they provide documents for credit facilities. They should not ignore the SME customers on any count.
- o Banks should properly market their credit products related to SMEs.
- o Banks should guide the customers to provide correct information as the correct information will also be beneficial for the customers for Approval of Credit facilities.
- o SMEs which are collateral deficient, their cash flows, repayment capacity and credit history should be focused and charge may be created on their movable assets.
- o Banks should advice and encourage the SMEs (which can afford) to hire trained professionals for their capacity building.
- o The importance of corporate sector cannot be denied but banks should also encourage the SMEs to avail the credit facilities from the Bank.
- o There are many risks associated with SME financing, which necessitate a comprehensive risk management process to overcome all types of risk for the SMEs.

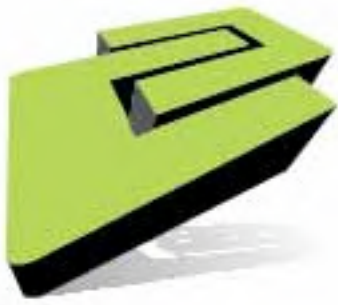
### Role of NBFI & Modaraba Association:

The core business of NBFI & Modarabas is financing to SME sector. Inspite of the best efforts of NBFI & Modaraba Association at difference forums, inclusion of NBFI & Modaraba sector in the concessional schemes of State Bank of Pakistan could not accomplish just because SBP is not our Regulator. In fact this task should have been taken by SECP, the regulator of Non-Banking Finance Companies and Modarabas, to get the NBFI & Modaraba sectors included on the concessional schemes for SMEs announced by SBP from time to time. This would enhance the scope of financing to SME sector. The Regulator have been requested on various occasion to discuss the issue in the SECP – SBP Joint Committee meeting and resolve the issue.



This Article is written by:  
Muhammad Imtiaz Ali,  
Company Secretary, Saudi Pak Leasing Company Ltd., Karachi





# **Sub-Committees**



## Composition of Sub-Committees & their Terms of Reference (TORs)

Sub-Committees	TORs
<p><b>1. <u>Rules &amp; Regulations Committee:</u></b> <b><u>Modarabas</u></b></p> <p>i. Mr. Muhammad Shoaib Ibrahim ii. Mr. Basheer A. Chowdry iii. Mr. Raheel Q. Ahmad iv. Mr. Murtaza Ahmed Ali v. Mr. M. Naimuddin Farooqui vi. Mr. Shuja Malik</p> <p><b><u>Leasing &amp; Investment Finance Services</u></b></p> <p>i. Mr. Muhammad Shoaib Ibrahim ii. Mr. Basheer A. Chowdry iii. Mr. Ahsanullah Khan iv. Mian Faysal Riaz</p>	<ul style="list-style-type: none"> <li>To review Acts, Ordinance, Rules and Regulations, Circulars, Guidelines and other Directives issued by SECP from time to time.</li> <li>To review and adopt various standards issued by ICAP, AAOIFI and other Regulatory bodies.</li> <li>To have a close liaison with the Regulators and make necessary recommendations / suggestions on the issues of Modaraba and Leasing sector.</li> <li>Drafting Regulations for new products.</li> </ul>
<p><b>2. <u>Taxation Committee:</u></b></p> <p>i. Mr. Murtaza Ahmed Ali ii. Mr. Raheel Q. Ahmad iii. Mr. Ramon Alfrey iv. Mr. Zulfiqar Ali</p>	<ul style="list-style-type: none"> <li>To review annual audited accounts of the Association and finalise the same in collaboration with the Secretary General / Auditors / Tax Advisors.</li> <li>Resolving tax related issues of the Association as well as of the Modaraba and Leasing Sector pertains to FBR, SRB and other Agencies.</li> <li>Any other matters relating to Audit, Accounts and Taxation.</li> <li>To explore and examine possibilities of Tax Refunds and Tax exemption.</li> </ul>
<p><b>3. <u>Training/Workshop Committee</u></b></p> <p>i. Mr. Jalaluddin Ahmed ii. Mrs. Hamida Aqeel iii. Mr. Muhammad Samiullah</p>	<ul style="list-style-type: none"> <li>To prepare a Calendar for the year 2018-19.</li> <li>To organize Workshops / Seminars at least one each month.</li> <li>To select the topics relevant to the Modaraba and Leasing Sectors and also choose speakers.</li> <li>To arrange lectures on the current issues for the awareness of the staff, Executives and Directors.</li> <li>To keep liaison with other financial educational institutions.</li> </ul>
<p><b>4. <u>Image Building &amp; Awareness Committee</u></b></p> <p>i. Mr. Muhammad Shoaib Ibrahim ii. Mr. Basheer A. Chowdry iii. Mr. Raheel Q. Ahmad iv. Mr. Ahsanullah Khan v. Mr. Muhammad Samiullah</p>	<ul style="list-style-type: none"> <li>To give awareness to the general public, stakeholders and investors about the Modaraba / Leasing Sectors.</li> <li>To keep liaison with ICAP, ICMAP, FPCCI, CDC, IBA-CEIF, IM Sciences (Peshawar University) and other financial educational institutions.</li> </ul>

<p><b>5. <u>Publication Committee:</u></b></p> <p>i. Mr. Muhammad Shoaib Ibrahim  ii. Mr. Ahsanullah Khan  iii. Mr. Shuja Malik  iv. Mr. Muhammad Samiullah</p>	<ul style="list-style-type: none"> <li>• To oversee the publication work of the Year Book.</li> <li>• To approve the Title page and inside theme of the Book.</li> <li>• To review the contents of the Year Book.</li> <li>• To arrange advertisements for the Year Book.</li> </ul>
<p><b>6. <u>Best Performance Award Review Committee</u></b></p> <p>i. Mr. Basheer A. Chowdry  ii. Mr. Jalaluddin Ahmed  iii. Mr. Muhammad Samiullah</p>	<ul style="list-style-type: none"> <li>• To review the existing Performance Award criteria and finalize it with the consent of the members.</li> <li>• To make a long term policy for giving awards to the best Performers.</li> <li>• To make any future amendments in the criteria appropriate for the betterment and encouragement of the members.</li> </ul>

## FPCCI Standing Committee on NBFI & Modarabas for the year 2020

No.	Name	Designation
1.	Mr. Muhammad Shoaib Ibrahim CEO, First Habib Modaraba	Convener
2.	Mr. Ahsanullah Khan CEO, Saudi Pak Leasing Co. Limited	Deputy Convener

## NBFI & Modaraba Association of Pakistan

Conference Hall of the Association is fully equipped to conduct Workshops, Seminars and Meetings having a seating capacity of around 40-45 persons with Multimedia and other facilities





# Events & Activities



## Launching of Year Book 2018

NBFI & Modaraba Association of Pakistan arranged a launching ceremony of Year Book 2018 on Monday the June 24, 2019 at Pearl Continental Hotel, Karachi. Mr. Khalid Mirza, Chairman, Policy Board, SECP was the Chief Guest of the ceremony. Mr. Raheel Q. Ahmad, Chairman, NBFI & Modaraba Association of Pakistan addressed the ceremony and presented the Year Book 2018 to the Chief Guest. Ms. Musarat Jabeen, Executive Director, read speech of the Chairman Mr. Farrukh H. Sabzwari. The ceremony was attended by senior officials from SECP, CEOs of Modarabas, Leasing Companies, Investment Finance Services, Shariah Advisors, PSX board, FPCCI and Takaful Companies and other guests.



MR. Khalid Mirza, Chairman, Policy Board, SECP unveiling the Year Book 2018



Mr. Raheel Q. Ahmad, Chairman addressing the ceremony of the launching of Year Book 2018



Ms. Musarat Jabeen, Executive Director, SECP addressing the ceremony



Mr. Khalid Mirza, Chairman, Policy Board, SECP addressing the ceremony



Mr. Basheer A. Chowdry presenting Vote of Thanks



View of participants

## Launching of Year Book 2018



L-R: Mr. Shahid Mahmood, Mr. Ikhtiar Baq Mirza, Mr. Shahid Nasim, Mr. M. Shoab Ibrahim and Mufti Imran Usmani in the ceremony



Mr. Raheel Q. Ahmad presenting shield to Mr. Khalid Mirza



Mr. Khalid Mirza presenting shield to Ms. Musarat Jabeen



Mr. Khalid Mirza presenting shield to Mr. Shahid Nasim



Mr. Khalid Mirza presenting shield to Mr. Shahid Mahmood

## Best Performance Awards 2018

NBFI & Modaraba Association of Pakistan also arranged Best Performance Awards Distribution ceremony for the year 2017-18 on Monday the June 24, 2019 at Pearl Continental, Karachi and awards were given to the following members:

### First Position

ORIX Leasing Pakistan Limited



Mr. Shaheen Amin, CEO, ORIX Leasing Pakistan Ltd. receiving the Award

### Second Position

Allied Rental Modaraba



Mr. Faisal, Director, Allied Rental Modaraba receiving the Award

### Third Position

First Habib Modaraba and ORIX Modaraba were the joint winners of 3rd Position



Mr. Muhammad Shoab Ibrahim, CEO, First Habib Modaraba receiving the Award



Mr. Raheel Q. Ahmad, CEO, ORIX Modaraba receiving the Award



## 5th DGTO Consultative Session

The Directorate General of Trade Organization in collaboration with Pakistan Knitwear & Sweater Exporters Association (PAKSEA) arranged 5th DGTO Consultative Session for Secretary Generals and Office Bearers of Trade Associations on 29th April 2019 at Pearl Continental Hotel, Karachi. Mr. Muhammad Samiullah, Secretary General of the Association attended the session. The objective of the interactive session was to establish an active platform for mainstreaming legitimate trade bodies for improved compliance of regulatory requirements under the relevant law.



Mr. Muhammad Samiullah, Secretary General receiving Certificate of participation from the Chief Guest, Mr. Waqar Ahmed Shah, DGTO is also present on the occasion

## Meeting with IBA-CEIF Team

The Association intends to get a sector study prepared by IBA-CEIF on the NBFI & Modaraba sector. For the purpose a meeting was held with a team of IBA-CEIF led by Dr. Irum Saba, Assistant Professor, IBA on 17th May 2019 at the Association office which was attended by Mr. Raheel Q. Ahmad, Chairman and Mr. Muhammad Samiullah, Secretary General. Mr. Raheel gave a brief outline for the preparation of the report.



L-R: Mr. Muhammad Samiullah, Secretary General, Mr. Raheel Q. Ahmad, Chairman, Dr. Irum Saba and Mr. Saad Hamid

## Luncheon Meeting with Mr. Badiuddin Akber, CEO, CDC

A luncheon meeting with Mr. Badiuddin Akber, CEO, CDC was arranged in the office at Central Depository Company of Pakistan – CDC, Karachi on Wednesday the 3rd July 2019. Mr. Raheel Q. Ahmad, Chairman, Mr. Basheer A. Chowdry, CEO, Trust Modaraba, Mr. Muhammad Shoaib Ibrahim, CEO, First Habib Modaraba and Mr. Muhammad Samiullah, Secretary General of the Association attended the meeting and discussed various initiatives of mutual interest.



A Group Photo

## Interactive session with Aequitas Information Services Ltd. (AISL) to introduce Tasdeeq

The Association arranged an interactive session with Aequitas Information Services Limited (AISL) to introduce Tasdeeq (1st SBP licence Credit Bureau) on Thursday the 11th July 2019 at the Conference Hall of the Association. Syed Saleem Raza, Chief Data Officer & Head of Operations and his team conducted the session. The session was attended by a large number of participants from NBFIs & Modaraba sectors.



A View of Participants

## Interactive session with DataCheck Limited

The Association arranged an interactive session with DataCheck Limited (SBP licenced Credit Bureau) on Wednesday the 24th July 2019 at the Conference Hall of the Association. Mr. Tariq Nasim Jan, CEO, gave a presentation on the information of DataCheck and its salient features. The session was attended by a large number of participants.



## Presentation by Central Depository Company (CDC)

The Association arranged a presentation in collaboration with Central Depository Company (CDC) on Friday the 23rd August, 2019 at its Conference Hall. The presentation covered various services being offered by CDC including Share Registrar Services for Modaraba Companies.



A View of Participants

## Memorandum of Intent (MOI) between IBA and NBFI & MAP

A Memorandum of Intent (MOI) and Letter of Engagement were signed between the Association and IBA-CEIF for a full Country Report of the sector with special focus on challenges and opportunities on 24th September 2019. The ceremony was attended by Dr. Ishrat Hussain, Advisor to the PM, Mr. Raheel Q. Ahmad, Chairman, Mr. Muhammad Shoab Ibrahim, Mr. Muhammad Naimuddin Farooqui and Mr. Muhammad Samiullah.



Dr. Inum Saba, Assistant Professor, IBA-CEIF and Mr. Raheel Q. Ahmad, Chairman, exchanging the documents on the occasion



Dr. Inum Saba, Assistant Professor, IBA-CEIF and Mr. Muhammad Samiullah, exchanging the documents on the occasion

## 9th Annual General Meeting of the Association

The 9th Annual General Meeting of the Association was held on 25th September 2019 at the Conference Hall of the Association. The General Body approved the audited accounts for the year ended 30th June 2019 and approved the appointment of M/s. Shekha & Mufti, Chartered Accountants as auditors of the Association for the year ended 30th June 2020 in place of Baker Tilly Mehmood Idrees Qamar, Chartered Accountants. Mr. Raheel Q. Ahmad outgoing Chairman highlighted the activities and events undertaken by the Association during the year. He congratulated the newly elected Executive Committee and assured of his full support whenever required by the sector as well as the Association.



Mr. Raheel Q. Ahmad, Chairman addressing the participants. Mr. Muhammad Samiullah, Secretary General is also seen in the picture



A View of Participants



Mr. Basheer A. Chowdry, announcing the final election results 2019



Mr. Muhammad Shoab Ibrahim, elected Chairman, addressing the AGM



Mr. Muhammad Shoab Ibrahim Incoming Chairman presenting the memento to out-going Chairman Mr. Raheel Q. Ahmad

# Half day Workshop on “Anti-Money Laundering and Combating the Financing of Terrorism Regulations”

NBFI & Modaraba Association of Pakistan in collaboration with ICMA Pakistan organized a half day Workshop on “Anti-Money Laundering and Combating the Financing of Terrorism Regulations” on 05th December 2019 at the Conference Hall of the Association.

Mr. Usman Ali Khan was the Trainer.



View of participants



Mr. Usman Ali Khan during session



Mr. Muhammad Shoab Ibrahim, Chairman sharing his views



Mr. Asif Paryani, Joint Director, SECP addressing the participants



Mr. Arshad Imam giving concluding remarks



L-R: Mr. Muhammad Samiullah, Mr. Asif Paryani, Mr. Muhammad Shoab Ibrahim, Mr. Arshad Imam and Mr. Usman Ali Khan



Group Photo

# MEMORANDUM OF UNDERSTANDING (MoU)

A MoU was signed between NBFi & Modaraba Association of Pakistan & Institute of Cost & Management Accountant of Pakistan (ICMAP) on 24th December, 2019 at the Conference Hall of the Association. The ceremony was attended by Mr. Asim Hussain Khan, Director, Members Professional Department & Corporate Trainings, Mr. Amir Ijaz Khan, Executive Director and Mr. Shamsuddin Bhimani from ICMAP while from NBFi & Modaraba Association of Pakistan Mr. Muhammad Shoab Ibrahim, Chairman and CEO of First Habib Modaraba & Habib Metro Modaraba, Mr. Basheer A. Chowdry, CEO, Trust Modaraba, Mr. Raheel Q. Ahmad, CEO, ORIX Modaraba and Mr. Muhammad Samiullah, Secretary General of the Association attended the ceremony.



Mr. Muhammad Shoab Ibrahim and Mr. Amir Ijaz Khan signing the MoU



Mr. Muhammad Shoab Ibrahim and Mr. Amir Ijaz Khan exchanging the MoU documents



MoU signing view



Mr. Muhammad Shoab Ibrahim presenting the Year Book 2018 to Mr. Amir Ijaz Khan

## Visit of Russian Delegation to the Association

A delegation from Russia comprising (1) Mr. Mikhail (Shamil) Orlov Chairman of the Russian - Egyptian business council, member of the board of the AGROFINMOST, (2) and Mr. Sharjeel Ahmed Sahib Usmani & Co Mr. Sharjeel Ahmed - Member Advisory board Usmani & Co. and (3) Mr. Farhan Ul Haq Usmani EVP & Head of Shariah Audit department, Meezan Bank Limited visited the office of the Association on 23<sup>rd</sup> January 2020 and discuss various aspects of mutual interest. Mr. Muhammad Shoaib Ibrahim, Chairman, Mr. Ahsanullah Khan, Senior Vice Chairman, Mr. Jalaluddin Ahmed and Syed Wajih Hassan, Members Executive Committee participated.



A view of meeting



Mr. Muhammad Shoaib Ibrahim presenting Year Book 2018 to Mr. Mikhail (Shamil) Orlov



Mr. Muhammad Shoaib Ibrahim presenting Year Book 2018 to Mr. Sharjeel Ahmed



Group photo



## Presentation on Block Chain–Application and Opportunities for Islamic Financial Industry

NBFI & Modaraba Association of Pakistan is arranged a presentation on "Block Chain Applications and Opportunities for Islamic Financial Services" on 30th January 2020 at Conference Hall of the Association. The learned speaker Mr. Sharjil Ahmed, Managing Director & Co-founder of Cykube, UK and Member, Shariah Advisory Board, Usmani & Co. conduct the presentation.



presentation view by Mr. Sharjil Ahmed



Participants view



Presentation view



Concluding remarks by Mr. Basheer A. Chowdry

## Visit to FPCCI

A delegation of NBF & Modaraba Association of Pakistan is visited FPCCI Head Office to meet its newly elected President Mian Anjum Nisar on Friday the 31<sup>st</sup> January 2020 and discuss various issues on the mutual interest.



Meeting view



Meeting view



Mian Anjum Nisar presenting memento to Mr. Muhammad Shoalb Ibrahim



Mr. Muhammad Shoalb Ibrahim presenting Year Book 2018 to Mian Anjum Nisar

## Visit to Jamia Darul Uloom, Korangi

Mr. Muhammad Samiullah, Secretary General, NBF & Modaraba Association of Pakistan along with Mr. Roofi Abdul Razzak, CFO/CS, First Al-Noor Modaraba visited Jamia Darul Uloom, Korangi on February 01, 2020 and had a meeting with Dr. Imran Ashraf Usmani and there after attended a presentation on Block Chain Application and Opportunities for the IFIs.



Mr. Muhammad Samiullah, Dr. Imran Ashraf Usmani, Mr. Sharif Ahmed, Mr. Roofi Abdul Razzak & others

## Conference on the scope of Housing Finance Business

NBFI & Modaraba Association of Pakistan arranged a Conference at its office in collaboration with SECP and PMRC for the awareness of the Housing Finance Business to the members of the NBFI & Modaraba Association of Pakistan on 3rd February 2020 at the Conference Hall of the Association.

The Conference was attended by Mr. Farrukh H. Sabzwari, Commissioner, SECP along with Mr. Aqeel Zeeshan, Additional Director and Mr. Shahid Mahmood, Additional Director, SECP. Mr. Mudassir H. Khan, CEO, Pakistan Mortgage Refinance Company Limited (PMRC) with his team participated.



Mr. Muhammad Shoab Ibrahim during his presentation



Mr. Farrukh H. Sabzwari addressing the session



Mr. Mudassir H. Khan addressing the session



R-L: Mr. Aqeel Zeeshan, Mr. Shahid Mahmood & Mr. Muhammad Samiullah



Concluding remarks by Mr. Basheer A. Chowdhry



View of participants



Mr. Muhammad Shoalb Ibrahim presenting memento to Mr. Farrukh H. Sabzwari



Mr. Muhammad Shoalb Ibrahim presenting memento to Mr. Mudassar H. Khan



Mr. Muhammad Shoalb Ibrahim presenting memento to Mr. Shahid Mahmood



Mr. Muhammad Shoalb Ibrahim presenting memento to Mr. Aqeel Zeeshan

## Half day Workshop on “Risk Management”

The Association organized a half day Workshop on “Risk Management” on 20th February 2020 at the Conference Hall of the Association. Ms. Kiran Hassan conducted the workshop.

Mr. Muhammad Shoaib Ibrahim, Chairman, NBF & Modaraba Association of Pakistan addressed the participants and discussed the importance of Risk Management in the business and thereafter distributed the certificates to the participants.



Ms. Kiran Hassan conducting the workshop



L-R: Mr. Insaar Usmani, Mr. Muhammad Shoaib Ibrahim & Mr. Muhammad Sarraiah



Mr. Muhammad Shoaib Ibrahim addressing the participants



Group Photo



## Meeting with Mr. Hashim Raza, CEO, SMEDA at FPCCI

The Federation of Pakistan Chambers & Commerce Industry (FPCCI) arranged a meeting with Mr. Hashim Raza, Chief Executive Officer, Small & Medium Enterprises Development Authority (SMEDA) on 27th February, 2020 at the Conference Room, Federation House, Karachi which was presided over by Mian Anjum Nisar, President, FPCCI . Mr. Muhammad Samiullah, Secretary General and Mr. Muhammad Shahzad, CFO/Company Secretary, SME Leasing Limited represented the NBFi & Modaraba Sector in the meeting.



A view of meeting



Mr. Hashim Raza, CEO, SMEDA and Mr. Muhammad Samiullah during the meeting



Mr. Muhammad Samiullah speaking during meeting



# **Members Activities and Achievements**



## Achievement of Members



Mr. Muhammad Shoalb Ibrahim, CEO First Habib Modaraba receiving "BEST CORPORATE REORT AWARD"

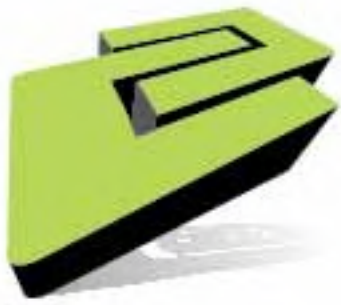


Mr. Muhammad Shoalb Ibrahim, CEO First Habib Modaraba receiving "Best Non-Bank Islamic Financial Institutuin Award"

ORIX Modaraba won 34th Corporate Excellence Award In Modaraba sector by Management association of Pakistan







# Media Coverage



## Session on Draft National SME Policy

# FPCCI Stresses need for business-friendly environment

### RECORDER REPORT

KARACHI: Speakers at an interactive session on 'Draft National SME Policy' thrashed out its contents and suggested that government should provide business conducive environment with simplification of registration process and favourable trade and tax policy.

Research and Policy Division of Federation of Pakistan Chambers of Commerce and Industry (FPCCI) organised the session at Karachi, Islamabad and Lahore through video link.

The participants urged the government to have safeguards during post-privatisation of SME bank in order to have due role of the bank.

The FPCCI president Engr Daroo Khan Achakzai highlighted the issues of SMEs such as access to finance, high cost of

doing business, low value addition, technological advancement, complicated tax system, etc. He also shared the success experience of SMEs of Japan, Korea, Taiwan, China, etc.

He suggested easy and favourable discounted rate access of finance to SMEs, establishment of SMEs zones and clusters, etc.

Convener of Federation of FPCCI Standing Committee on R&D, Engr M.A Jabbar said that Draft National SME Policy needs to be thoroughly analysed with its working implementation tools in view of current difficult coordination amongst federal ministries and even between federation and provinces.

He made detailed presentation on draft National SME Policy and also expressed views on the circumstances surrounding the

whole issue from the inception of the policy and its support by public sector since 2007. He said that broad domain of support is available since 18th amendment and now the advocacy and implementation may involve dual support from federation and provinces. He said that some of the issues relate to exclusivity of federal government, while some have been devolved.

Therefore, he said there exists strong base for advocacy to improve the business environment for SMEs to reduce some of the adverse impacts on the economy by increasing share in the economy through increased participation supported by public sector.

The participants also expressed their reservations on various definitions of SME being proposed and discussed. They suggested that a single definition requires to be notified and preferably with higher business turnovers in order to keep accommodating the SMEs in proportion to their business growth in terms of growing sales turnovers with passage of time. Moreover, the SBP should include all sectors in SMEs financing instead of present one restricted to 8-9 sectors and all the banks should consider financing on cash flow basis instead of collateral basis.

The participants also emphasised preferring financing for local production units and SBP may give some guidelines to commercial bank for setting the targets for their regions and zones in financing SMEs.

They also indicated that the financing from Non-Bank Financial Institutions and Modarbas also be included in SBP Policy of SMEs Financing. They proposed establishment of business centres in all cities and organisation for capacity building program for SMEs entrepreneurs. They also called for establishment of SMEs cluster in Pakistan as presently there are only 25 clusters in Pakistan while in Bangladesh, there are 100 clusters and 3000 more clusters exist in India.

The participants noted that SMEDA is the only organisation working for SMEs and over burdened to take care of many issues, therefore the increase in capacity and capability of SMEDA can help in managing and proposing a workable SME policy.

They said that the SME Policy 2007 was neither implemented properly and nor the data of SMEs was available for further research and strategy analysis. They proposed formulating the policy according to current economic environment for increasing manufacturing GDP. The policy should also have practical approach of implementation with the linkage of the SME with vendor industry for buy back arrangements.

The participants indicated that in Pakistan, banks generally remain reluctant to give loans to SMEs sector due to elevated risk. Most of the loans are given on collateral basis to SMEs and commercial banks lack due interest in developing required effective credit models to finance SMEs.

They called for involvement of academia in SMEs promotion and establishment of incubation centres, holding of awareness sessions with the involvement of SBP and SME banks and market facilitation to SMEs for domestic manufacturing and exports.

# BUSINESS RECORDER

Karachi, Tuesday 25 June 2019, 21 Shawwal 1440

## Call to oppose GST levy

# NBFIs, Modarabas presumed as service providers: SECP chief

### RECORDER REPORT

KARACHI: Non-Banking Financial Sector and Modarabas must oppose and take head on the sales taxes imposed on NBFIs & Modaraba companies considering them as services sector by the government of Sindh in its budget. This sector is only providing financial support rather than services as assumed by the government.

"The regulators are not observing their true power as specified in 1913 Act," said Khalid Mirza, Chairman, Policy Board, Securities & Exchange Commission of Pakistan on the occasion of unveiling the Year Book – 2018 of NBFIs & Modaraba Association of Pakistan on Monday. The event was attended by senior officials from SECP, Pakistan Stock Exchange, State Bank of Pakistan, NBFIs & Modaraba Sector and executives from other financial sectors.

Khalid Mirza said that NBFIs & Modarabas help attain the objective of macroeconomic policies of creating more jobs in the country by promoting SMEs. He said that the Small and Medium Enterprises requirement and their volume of the revenue of Rs 94 billion available by NBFIs & Modaraba Association will not cater for SME needs. "We have to increase the available revenue to meet the require-

ment drastically," he added.

Earlier, Raheel Q Ahmad, Chairman, NBFIs & Modaraba Association while welcoming the chief guest and others, said that the core business of NBFIs & Modaraba Sector is SMEs which is a backbone of Pakistan economy as this sector plays a significant role for economic development in the country. He said that NBFIs & Modaraba Sector is an active financier of SMEs and it has disbursed over Rs 200 billion in the last ten years. The total number of investors in PSX is 231,793 whereas the NBFIs & Modaraba sector has 86,473 investors which comes to 37 percent of it. The sector has paid to their shareholders Rs10 billion during the last ten years. "Our focus is on the creation of Employment, Financial inclusion, women empowerment SME Financing. We have repeatedly raised our voice at different forums to include the NBFIs & Modaraba Sector in all the concessional schemes introduced by State Bank of Pakistan for SMEs so that the sector may play its due role in the growth of the SME sector." Ms. Mussarat Jabeen, Executive Director, SECP read the message from Chairman SECP Farukh H. Sahzawi and said that Leasing companies and Modarabas form an important part of the Non-Banking

Financial Sector and believe that by developing a strong NBFIs sector we will not only promote savings by offering different asset classes to the investors but also provide alternative fund raising opportunities to the participants of the financial system. She added that total assets of the leasing sector stand at Rs 10 billion, whereas the Modaraba sector is Rs 53 billion. This means that the total size of the leasing and Modaraba sector in Pakistan is approximately 0.18 percent of GDP, which is dismal.

In the said ceremony Best performance Awards were also given to the best performers of the NBFIs & Modaraba Sector during the year ended 30th June, 2018 by the Chief Guest. ORIX Leasing Pakistan Limited was adjudged the best performer and acquired first position while Allied Rental Modaraba Secured second position. ORIX Modaraba and First Habib Modaraba were declared joint winner of the third position.

In conclusion, Basheer A Chowdhry, CEO Trust Modaraba and former Chairman, NBFIs & Modaraba Association thanked the chief guest, senior officials of SECP, all CEOs of leasing companies, Modarabas and invest finance companies and other dignitaries for participating in the launching ceremony of the association.



## قومی ایس ایم ایز پالیسی 2019ء



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کسی بھی ملک کی معیشت اور معاشی ترقی میں چھوٹے اور درمیانے درجے کی صنعتیں (SMEs) اہم کردار ادا کرتی ہیں۔ ان کی حیثیت رکھتی ہیں کیونکہ یہ صنعتیں ملک میں سب سے زیادہ خالص فراہم کرتی ہیں۔ پاکستان میں اس وقت تقریباً 338 لاکھ سے زائد چھوٹے اور درمیانے درجے کی صنعتیں قائم ہیں، جن میں 18 لاکھ صنعتی برادریاں، 12 لاکھ سروس بنگاں، 18 لاکھ تجارتی اور خدماتی کاروبار شامل ہیں۔ ان صنعتی برادریوں میں 41 فیصد شہری علاقوں بیکر، 59 فیصد دیہی علاقوں میں قائم ہیں۔ برادریوں کے مجموعی بنگاں بنگاں کی تعداد میں ابتدائی اہم کردار ہے جس سے تقریباً 45 فیصد افراد روزگار سے 2019ء میں 20.84 ملین جاپانی کام کرتے ہیں جبکہ جاپان میں 37 سے زائد لاکھ صنعتی برادریوں کی 12 لاکھ برادریوں جن میں تقریباً 10.22 ملین جاپانی کام کرتے ہیں۔ اس طرح جاپان کی SMEs کا مجموعی افرادی قوت میں شہر 69 فیصد ہے۔ چین اور امریکہ کے بعد دنیا کی دوسری بڑی معیشت بن چکا ہے، جو اس وقت تک پہنچانے کا سرا کھتی رہا۔ ایک لاکھ لاکھ کے سر ہات سے جنہوں نے سرکاری اداروں کے ایک 37 سے لے کر پانچ بیٹ بنگاں کے چھوٹے اور درمیانے درجے کی صنعتوں میں تہاڑیں کیا، اس شعبے کا کل مجموعی بی ای ٹی میں حصہ 60 فیصد ہے۔ بریٹنی جیمین کے 27 ممبر ممالک کے ہانگ میں 99.8 فیصد چھوٹے اور درمیانے درجے کی صنعتیں ہیں اور 67 فیصد امریکہ اور انڈیا کا فراہم کرتی ہیں۔

امدادیوں میں چھوٹے اور درمیانے درجے کی صنعتوں کے فروغ کیلئے جی بی بی کے اشتراک سے شہر ہائی (Sectorial) فروغی رپورٹس فراہم کرتا تھا۔ SMEs کے فروغ کیلئے SME ویٹنگ بھی قائم کیا گیا، جس کی بھاری امداد کیا جانا ہے۔ SMEs کی ترقی کیلئے میں نے ہمیشہ زیادہ سے زیادہ پورنڈر (Vendor) الاٹمنٹ کے قیام پر زور دیا ہے۔ جس طرح انوکھیاں بنگاں کی ویڈیو اسٹریج پاکستان کے آئی ٹی بنگاں کو کوئی اور معیار کے مطابق کاروبار کیلئے تلف پائرس فراہم کر رہی ہیں لیکن ایس آئی ٹی بنگاں کے علاوہ دیگر سیکٹرز میں بھی اس طرح کی ویڈیو اسٹریج کو فروغ دینا ہوگا۔

ملک میں ایس ایم ایز کو فروغ دینے کیلئے وفاقی وزارت صنعت اور برادریوں کے سینڈیکس کے ساتھ مل کر قومی ایس ایم ایز پالیسی 2019ء کیلئے ایک مسودہ FPCCI کو بھجوا دیا ہے تاکہ اس پر چارے ملک کے اسٹیک ہولڈرز سے مشاورت کے بعد قومی ایس ایم ایز پالیسی تشکیل دی جاسکے۔ اس مرحلے میں گزارشتوں فیڈ بک شامل ہوا ہے جس میں ایک اہم اجلاس ہوا جس میں میر سے علاوہ دیگر رہائشی کے معیار اور وہاں ان سب معیار، اسٹیٹ ویٹنگ کے آڈیٹ اور ٹیکس پورنڈر اور ایس ایم ایز کے لئے کاموں سے بڑی تعداد میں شرکت کی اور ایس ایم ایز فراہم کردیں۔ ایس ایم ایز بنگاں میں لیکن کاروبار، فراہم، دیہی بنگاں، انڈیا میں انڈیا کوئی، سرکاری کنڈر، لیڈ، پرنٹنگ اینڈ کونکریٹ، فرنیچر، کچھ پروسسنگ اور بنگاں اینڈ بیٹری شامل ہیں جس کو 2007ء کی ایس ایم ایز پالیسی کے تحت ڈرائنگ کینٹل اور BMR کیلئے ٹیکس سے 6 فیصد شرح سوا پر فرٹے لے جاسکتے ہیں جبکہ ان بنگاں کے علاوہ باقی ایس ایم ایز بنگاں کو ویٹنگ لہانیت اور بی شرح سوا 18 سے 20 فیصد پر فرٹے دیتے ہیں۔ اجلاس میں اس بات کی بھی سفارش کی گئی کہ ایس ایم ایز کو فروغ دینے کیلئے ملک میں کرپٹنڈ ہائی ایجنسی کو فعال، NIBFI اور مشابہہ کو بھی چھوٹے اور درمیانے درجے کی صنعتوں کی کانسٹنگ کرنے میں شامل کیا

جائے۔ پاکستان میں ایس ایم ایز بنگاں کو فروغ دینے کی سب سے بڑی وجہ ایس ایم ایز کو بنگاں سے مناسب شرح سوا پر فرٹوں کا نہ ملنا ہے۔ 100 ہائی ٹی ایسٹیٹ ویٹنگ کے کاروبار اور SMEs بنگاں کے بنگاں سے فرٹے لینے کے قوانین (پروڈیکٹ ریکولیشن) ایک ہی ہے جس کے تحت SMEs کو بنگاں سے فرٹے لینے کیلئے اپنی رجسٹری، عمارت اور مشینوں کو بنگاں کو بطور سیکورٹی گروئی رکھنا پڑتا ہے تاہم بنگاں بنگاں SMEs بنگاں میں پورنڈر چھوٹی بنگاں کو اسے پر ہوتی ہیں اور ان کا تعلق نہ ہونے کے باعث انہیں بنگاں کے پاس گروئی نہیں رکھا جاسکتا جس کی وجہ سے SMEs بنگاں کو بنگاں سے فرٹے حاصل کرنا نہایت مشکل تھا۔ اس مسئلے کو حل کرنے کیلئے FPCCI کی اسٹیٹنگ کونٹی برائے ویٹنگ کرپٹنڈ اینڈ کنٹریس کے کنٹریسٹن کی حیثیت سے میں نے اس وقت کے گورنر اسٹیٹ ویٹنگ سے مطالبہ کیا کہ چھوٹے درجے کی صنعتوں SMEs کیلئے فرٹوں کے مجموعہ رقم قوانین بنائے جائیں جس میں SMEs کو 25 سے گروئی رکھ کر فرٹے دینے کے بجائے پیش گوئی بنیاد پر فرٹے فراہم کیے جائیں۔ مجھے خوشی ہے کہ میری کئی سال کی جدوجہد کے نتیجے میں اسٹیٹ ویٹنگ نے SMEs کے فرٹوں کے مجموعہ قوانین کا اعلان کیا جس کے تحت اب کوئی SME کونٹی اپنی فروغی رپورٹ اور پیش گوئی بنیاد پر اگر فرٹے دہانے کرنے کی استطاعت رکھتی ہے تو ویٹنگ اسے 25 سے گروئی رکھائے بغیر فرٹے دے سکتا ہے۔

اس وقت پاکستان میں ایس ایم ایز بنگاں زری شعبے کے معیار 90 فیصد، انڈیا میں فراہم کردہ ہے اور بی ای ٹی میں اس کا حصہ 40 فیصد ہے جبکہ دنیا میں ایس ایم ایز بنگاں کی بی ٹی میں حصہ اوسطاً 55 فیصد ہے۔ بہتر فیڈ بک بنگاں میں چھوٹے اور درمیانے درجے کی گروئی 8 فیصد، ایک پورٹس میں 10 فیصد اور سروس بنگاں میں 10 فیصد ساڈن ہے جس کو ایس ایم ایز بنگاں سمیٹا اور ایس ایم ایز ویٹنگ کو چھوٹے اور درمیانے درجے کی صنعتوں کے فروغ کیلئے قوانین کی کانسٹریکٹس اور بائسٹری کیلئے خصوصی کانسٹریکٹس ہائیں تاکہ ان کو بنگاں چھوٹے اور درمیانے درجے کی صنعتیں قائم کر کے اپنے لئے ٹوریزم کے مواقع پیدا کر سکیں۔

## Shoaib elected NBFI & Modaraba Association's chief

**KARACHI:** Muhammad Shoaib Ibrahim, CEO and Managing Director, First Habib Modaraba has been elected as Chairman of NBFI & Modaraba Association of Pakistan for the year 2019-20.



With more than two decades experience in non-bank Islamic financial institutions and Modarabas, he is a senior expert on this topic in Pakistan. This experience has given him insight into the financial and technical aspects of the non-banking Islamic financial activities covering financial services, equity market and asset management. Under his leadership, at present, FHM is well positioned in the Islamic financial market with a strong equity base, sound assets size and profitability within the modaraba sector of Pakistan.

Shoaib holds a Master of Business Administration (MBA) in banking and finance from the Institute of Business Administration (IBA). He has also completed a Post Graduate Diploma (PGD) in Islamic Banking from the Centre of Islamic Economics (Darul Ulum), Karachi Pakistan. He is country correspondent of Islamic Finance News, Malaysia and also has presented research papers on the modaraba and other Islamic financial products at different local and international forums.—PR



## Modaraba-based financing for SMEs introduced

By Our Staff Reporter

**KARACHI:** The State Bank has decided to introduce a Modaraba-based Islamic Refinance Scheme for working capital financing of small and low-end medium enterprises.

The central bank on Wednesday said that it will make Modaraba investment in general pool of Participating Islamic Financial Institutions (PIFIs) under the scheme.

The financing will be initially available for information technology, furniture, gems and jewellery, leather industry, surgical goods, dates processing, fruits, vegetables and food processing and packaging, and printing and packaging.

Small enterprises (SEs) for SME financing are eligible under the scheme while medium enterprises (MEs) with annual sales turnover of up to Rs300 million can also avail the scheme. Maximum financing limit for MEs is Rs50m, with a maximum financing tenure of one year.

The banks and DFIs may submit their requests for the status of PIFI. They may also apply for allocation and assignment of limit under the scheme. The SBP said these requests may be submitted within 30 days from the date of issuance of this circular.

The funds made available under the scheme to PIFIs will be provided by the designated offices of the SBP under the limits conveyed by the concerned department of SBP in favor of each PIFI. The SBP will review the utilisation of limits by the PIFIs periodically (quarterly) and may cancel or

reduce the unutilised limit. No PIFI will be authorised to sanction financing with a view to merely utilise the limit under the scheme, said the SBP.

The financing will be allowed against a single or multiple underlying transactions, designed on the basis of Islamic modes of financing, approved by the Sharia Board of the concerned PIFI. The PIFIs will not take more than 15 days in case of SEs and 25 days in case of medium enterprises MEs in evaluating an application for financing under the scheme from the date of receipt of complete information from the customer.

According to the SBP circular, disbursements by PIFIs should not be made to the customers directly. Payments will be made to the suppliers of the customers. The expected rate of return on financing provided by the PIFI to its customer under the scheme may not exceed rates announced by SBP on similar refinance facilities. The SBP expects profit rates or return on its investment close to its return on such type of refinance facilities.

The expected rate of return on financing once fixed will remain locked-in for the entire duration of the financing, provided that the customers continue to pay all scheduled amounts at the respective due dates.

"The SBP's investment in the general pool will be assigned profit sharing ratio and weightage keeping in view SBP's expected rate of return as well as PIFI's policy and practice for such type of depositors in the general pool. Such weightages shall be used to calculate profits on SBP investments," said the SBP.

# SECP to introduce new regulatory framework

SCHAIK SARFRAZ

ISLAMABAD: In order to monitor investment transactions in the Mudaraba sector, the Securities and Exchange Commission of Pakistan (SECP) has decided to introduce new regulatory framework by imposing minimum conditions on Mudaraba for providing finance to their customers, limit on capital market financial indicators of the borrowers and requirements for carrying out certain types of transactions.

The SECP has issued draft Mudaraba Regulations, 2019 to strictly regulate and monitor the Mudaraba sector in Pakistan.

For providing minimum  
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## SECP to introduce new regulatory framework

> from page 1

conditions for finance, the SECP specified that a Mudaraba shall while providing finance (including renewal and enhancement) to a customer which is equal to or exceeds five hundred thousand rupees after setting-off the liquid assets held as security, give due weight to the credit report relating to the customer or its group obtained from a credit information bureau. If the credit report of credit information bureau indicates overdue, the Mudaraba may take exposure or such customer keeping in view its risk management policies and credit approval criteria and it shall properly record reasons and justifications for granting the finance in credit approval form. The Mudaraba shall maintain a file of all such exposures and provide the same to the inspector, team of the Commission as and when it visits the Mudaraba for onsite inspection.

A Mudaraba shall not provide finance to a customer who has defaulted or availed a write-off from that Mudaraba during the last three years, the SECP added.

In case the customer is an individual, the Mudaraba shall obtain documentary evidence of the means of the customer such as wealth statement, statement of assets and liabilities or any other

document as may be considered appropriate by the Mudaraba.

The total outstanding exposure (fund based and non-fund based) by a Mudaraba or a group shall not exceed 20% of the equity of the Mudaraba (as disclosed in the latest audited financial statements) provided that the maximum outstanding fund-based exposure does not exceed 20% of the equity of the Mudaraba.

The SECP said that a Mudaraba's aggregate exposure in listed equity securities (i.e. the ready market) and spread transactions shall not exceed 25% of its equity. Explanation: For the purpose of this regulation the expression "spread transactions" mean such transactions where shares of one company are purchased or one seller enters date and simultaneously sold on another settlement date that will be considered as one transaction.

The investment of Mudaraba fund in listed equity securities of any company shall not exceed 5% of the paid up capital of the investee company or 10% of its own equity, whichever is less and the shares acquired in excess of 10% limit due to the underwriting commitments, shall be sold off within a period of six months from the date of acquisition of such shares.

document as may be considered appropriate by the Mudaraba. A Mudaraba shall, before providing any finance (including renewal, enhancement and restructuring or restructuring), ensure that the application for finance is accompanied with a "Customer's Basic Fact Sheet" as prescribed in Schedule-II.

A Mudaraba shall ensure that the information requested in the basic fact sheet is provided by the customer under its seal and signature.

Mudharaba with the prior approval of the Registrar may extend housing finance facilities to its customers and the maximum per party limit in respect of housing finance by a Mudaraba shall be Rs 20 million.

Moreover, aggregate liabilities, excluding contingent liabilities and security deposits of a Mudaraba which is not involved in the issuance of COPI shall not exceed ten times of its equity.

A lending Mudaraba, having enabling clause for resource mobilization in its prospectus, with the approval of the Commission may raise funds through issuance of Certificates of Musharakah (COM) after complying with the specified requirements.

Under the draft regulations, the total outstanding exposure (fund based and non-fund based) by a Mudaraba to a person shall not at any time exceed 20% of the equity of the Mudaraba (as disclosed in the latest financial statements) provided that the maximum outstanding fund-based exposure

provided that the amount of provision created against permanent diminution shall be deducted from the cost of acquisition of equity investments and the maximum limit. Provided further that the above restriction shall not be applicable to investment made by a Mudaraba in its own subsidiaries and long term strategic investments out of surplus equity, the SECP said.

Linkage between equity of the customer and total exposure from financial institutions: A Mudaraba while taking an exposure shall not provide finance if the total exposure availed by the customer from financial institutions exceeds 10 times of the equity of the customer as disclosed in the financial statements of the customer. Provided that the fund based exposure of a customer shall not exceed 4 times of its equity as disclosed in the customer's latest financial statements, the above limit of 4 times of equity shall not be applicable on exposure to financial institution, the SECP added.

Requirements on certain types of transactions: A Mudaraba shall not provide a finance against equity and debt security issued by 1 or its group companies, provide finance (using unfixed debt security and residual equity security) provide finance to any company against equity and debt security of that company or group companies of that company; provide finance against shares in physical form of a listed company or other type of transactions specified in the draft regulations.



Business Reorder Karachi Tuesday 11 February 2020

## NBFI & Modaraba Association team visits FPCCI

KARACHI: A delegation of NBFI & Modaraba Association of Pakistan led by its Chairman Muhammad Shoaib Ibrahim, consisting of Basheer A Chowdry, Raheel Q Ahmad, Ahsanullah Khan and Muhammad Samiullah visited FPCCI to congratulate Mian Anjum Nisar on his election as President of FPCCI.

He said that this is a great success of the business industry in Pakistan and hope that with the experience and able leadership qualities of Mian Anjum Nisar, FPCCI will become a remarkable platform for the businessmen and financial sector.

He also gave a brief presentation on the working and performance of the NBFI & Modaraba sector.

While congratulating him, Shoaib emphasized that awareness is essential to promote modaraba and leasing models for the growth of Islamic financing industry in the country and said that the Association seeks support of the FPCCI for the purpose.

Mian Anjum Nisar appreciated the efforts being made by NBFI & Modaraba sector for



the promotion of Islamic modes of financing and assured that FPCCI and Chambers will fully support the NBFI & Modaraba Association for arranging awareness sessions through the platform of FPCCI throughout the country for giving awareness of the Modaraba and leasing models to the business community and encourage them to enter in this business.

He said the country is currently facing many challenges and uncertainty is prevailing among the businessmen and even in general public. However, FPCCI is doing its best to combat with these challenges and improve the situation in the business industry. He announced that

FPCCI has appointed Muhammad Shoaib Ibrahim as Convener of FPCCI Standing Committee on NBFI & Modaraba.

During the session a number of other matters were also discussed and it was reiterated that FPCCI and NBFI & Modaraba Association should jointly work for the betterment and growth of the Islamic finance in the country through workshops/seminars and awareness sessions.

Mian Anjum Nisar presented a memento of FPCCI to Muhammad Shoaib Ibrahim.

Mian Anjum Nisar, President, FPCCI is presenting a memento to Muhammad Shoaib Ibrahim, Chairman, NBFI & Modaraba Association of Pakistan.—PR





# Macro Perspective



## Sectors Performance

The following sections contain a description of the overall size of leasing companies, Investment Finance Services and modaraba sectors in Pakistan and its performance during the years.

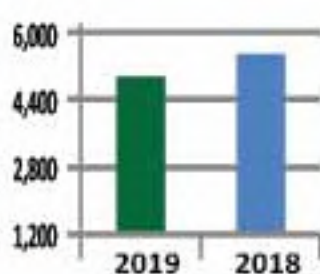
### Trends of Aggregate Indicators

The number of companies and the paid up capital are Industry's input parameters whereas revenues, profits, financial charges and investments are the output parameters indicating the extent of the benefits provided by the industry to the lessors, shareholders etc.

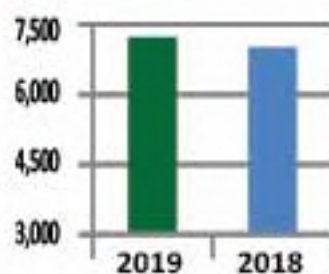
The trends of sector aggregate indicators for the years are given below: -

	(Rs. in Million)	
TRENDS OF AGGREGATE INDICATORS		
Leasing Companies	2019	2018
No of Companies	8	8
Paid-up Capital	6,814	6,814
Reserves & Retained Earning	(1,557)	(1,464)
Total Equity	5,257	5,350
Financing /Trading/Manufacturing Assets	7,302	7,215
Investments	1,116	1,308
Borrowings	1,673	1,631
Revenues	950	822
Operating Expenditure	474	411
Financial Charges	158	127
Taxation	27	111
Net Profit	(77)	143
Cash Dividend & Bonus	19	52
Total Assets	10,605	10,528

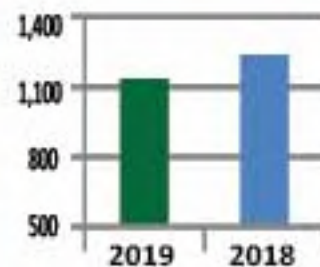
### Total Equity



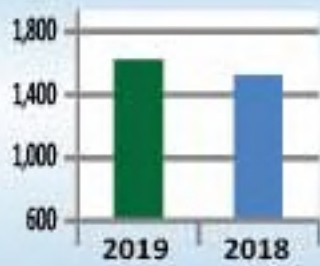
### Financing/Trading/Manufacturing Assets



### Investments



### Borrowings



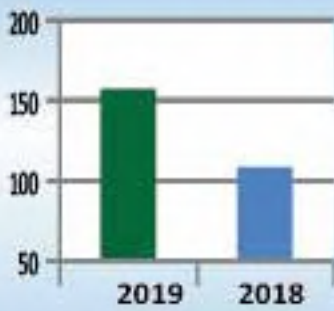
### Revenues



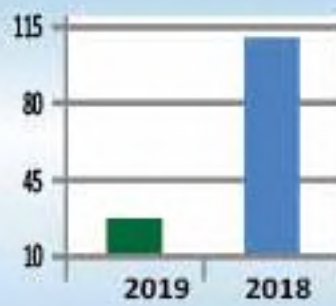
### Operating Expenditures



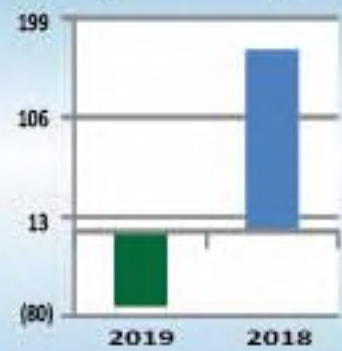
### Financial Charges



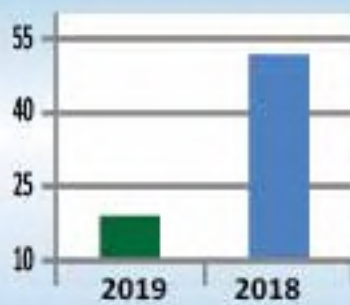
### Taxation



### Net Profit



### Cash Dividend

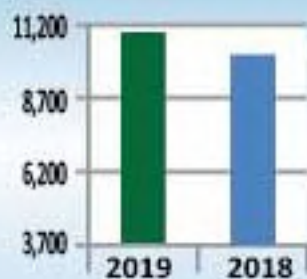


### Total Assets



Investment Finance Services	2019	2018
No of Companies	3	3
Paid up Capital	3,394	3,116
Reserves & Retained Earning	7,561	7,029
Total Equity	10,955	10,145
Financing /Trading/Manufacturing Assets	22,120	22,394
Investments	4,056	4,090
Borrowings	12,281	12,686
Revenues	4,608	5,028
Operating Expenditure	1,593	1,530
Financial Charges	1,591	1,457
Taxation	475	337
Net Profit	1,131	1,569
Cash Dividend & Bonus	729	760
Total Assets	30,582	31,387

**Total Equity**



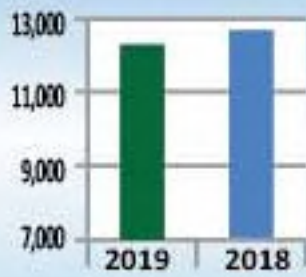
**Financing/Trading/Manufacturing Assets**



**Investments**



### Borrowings



### Revenues



### Operating Expenditures



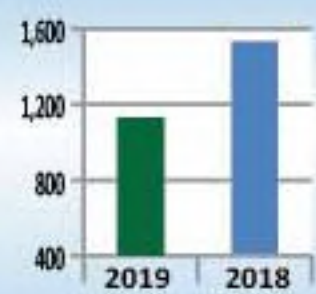
### Financial Charges



### Taxation



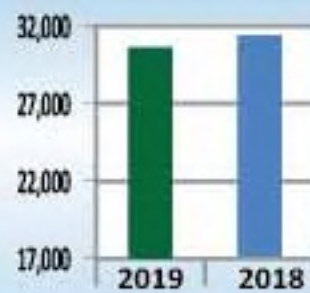
### Net Profit



### Cash Dividend



### Total Assets



<b>Modarabas</b>	<b>2019</b>	<b>2018</b>
No of Companies	26	26
Paid up Capital	13,494	13,268
Reserves & Retained Earning	7,334	9,375
Total Equity	20,828	22,643
Financing /Trading/Manufacturing Assets	30,670	29,409
Investments	3,511	3,289
Borrowings	16,928	14,838
Revenues	10,348	10,141
Operating Expenditure	9,459	8,005
Financial Charges	1,902	1,001
Taxation	39	45
Net Profit	(1,290)	776
Cash Dividend & Bonus	937	1,133
Total Assets	53,903	52,670

### Total Equity



### Financing/Trading/Manufacturing Assets



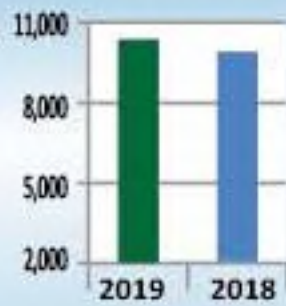
### Investments



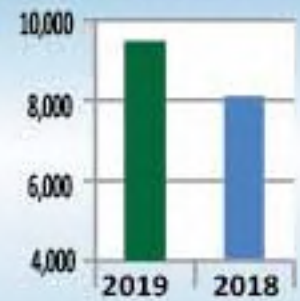
### Borrowings



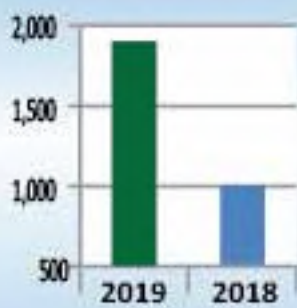
### Revenues



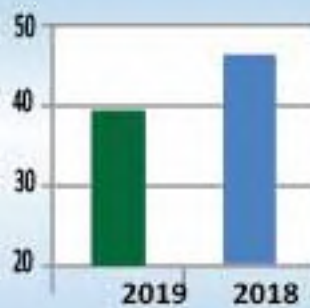
### Operating Expenditures



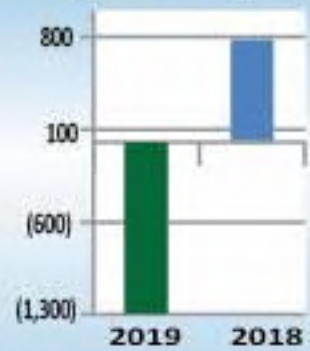
### Financial Charges



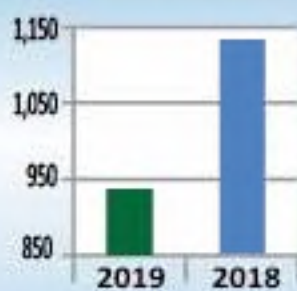
### Taxation



### Net Profit



### Cash Dividend



### Total Assets



<b>CONSOLIDATED TRENDS OF AGGREGATE INDICATORS</b> (Rs. in Million)		
	<b>2019</b>	<b>2018</b>
No of Companies	37	37
Paid up Capital	23,703	23,198
Reserves	13,338	14,940
Total Equity	37,041	38,138
Financing /Trading/Manufacturing Assets	60,092	59,018
Investments	8,683	8,688
Borrowings	30,882	29,155
Revenues	15,906	15,991
Operating Expenditure	11,526	9,947
Financial Charges	3,651	2,585
Taxation	542	493
Net Profit	(236)	2,488
Cash Dividend & Bonus	1,685	1,945
Total Assets	95,091	94,585

### TRENDS OF KEY RATIOS

The following tables show the key ratios of the Leasing Companies, Investment Banks and Modarabas:

<b>Leasing Companies</b>	<b>2019</b>	<b>2018</b>
Earning per Share (Rs.)	(0.11)	0.21
Return on Equity (%)	(1.46)	3.54
Return on Assets (%)	(0.73)	1.54
Current Ratio (X)	1.44	1.67
Financing /Trading/Manufacturing Assets	68.85	68.53
Book value per Share (Rs.)	7.71	7.85
Time Interest Earned (X)	0.95	1.01
Total Assets / Net Worth (X)	2.02	1.97
Financial Charges / Total Expenses (%)	15.75	22.29
Dividend per share (Rs.)	0.03	0.08

<b>Investment Finance Services</b>	<b>2019</b>	<b>2018</b>
Earning per Share (Rs.)	3.33	5.04
Return on Equity (%)	10.72	18.24
Return on Assets (%)	3.65	5.10
Current Ratio (X)	1.63	1.46
Financing /Trading/Manufacturing Assets	72.33	71.35
Book value per Share (Rs.)	32.28	32.56
Time Interest Earned (X)	2.01	2.31
Total Assets / Net Worth (X)	2.79	3.09
Financial Charges / Total Expenses (%)	53.01	46.70
Dividend per share (Rs.)	2.15	2.44



<b>Modarabas</b>	<b>2019</b>	<b>2018</b>
Earning per Certificate (Rs.)	(0.96)	0.59
Return on Equity (%)	(5.93)	3.49
Return on Assets (%)	(2.42)	1.61
Current Ratio (X)	0.70	0.77
Financing /Trading/Manufacturing Assets	56.90	55.84
Book value per Share (Rs.)	15.43	17.07
Time Interest Earned (X)	0.34	1.82
Total Assets / Net Worth (X)	2.59	2.33
Financial Charges / Total Expenses (%)	16.40	10.74
Dividend per certificate (Rs.)	0.69	0.85

<b>Consolidated Trends of Key Ratios</b>	<b>2019</b>	<b>2018</b>
Earning per Share/Certificate (Rs.)	(0.10)	1.07
Return on Equity (%)	(0.63)	7.14
Return on Assets (%)	(0.25)	2.82
Current Ratio (X)	0.96	1.05
Financing /Trading/Manufacturing Assets	63.19	62.40
Book value per Share/Certificate (Rs.)	15.63	16.44
Time Interest Earned (X)	1.10	2.06
Total Assets / Net Worth (X)	2.57	2.48
Financial Charges / Total Expenses (%)	23.40	19.87
Dividend per certificate / share (Rs.)	0.71	0.84

# Statistical Over View

## Financing Disbursement



## Investment in Financing (Assets Wise) 2018-2019

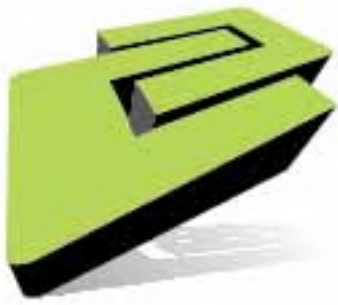
	Rs. in million	%
Plant & Machinery	12,893.45	27.34
Vehicles Private	17,944.93	38.65
Vehicles Commercial	11,775.24	25.38
Equipments	1,549.19	3.34
Others	2,467.85	5.32
<b>Total</b>	<b>46,430.66</b>	<b>100.00</b>



## Sector Wise Exposure 2018-2019

	Rs. in million	%
Chemical, Fertilizers & Pharmaceutical	4,194	7.37
Construction	1,975	3.47
Food, Tobacco & Beverages	2,660	4.67
Individuals	7,888	13.86
Fuel, Energy, Oil, Gas & Allied	3,353	5.89
Services	5,338	9.38
Steel, Engineering & Allied	2,176	3.82
Distributors, Wholesalers & Retailers	1,920	3.37
Textile	4,037	7.09
Transport & Communication	8,702	15.29
Others	14,667	25.77
<b>Total</b>	<b>56,910</b>	<b>100.00</b>





# **Top Ten Members**



## Top Ten Members

Rs. In Millions

S. No.	Name of Members	PROFIT
1	ORIX Leasing Pakistan Limited	1,022.52
2	Allied Rental Modaraba	382.85
3	First Habib Modaraba	319.69
4	LSE Financial Services Limited	158.74
5	ORIX Modaraba	126.06
6	Awwal Modaraba	111.38
7	Orient Rental Modaraba	102.73
8	Sindh Modaraba	81.15
9	Pak-Gulf Leasing Company Limited	64.38
10	B.R.R. Guardian Modaraba	44.84

S. No.	Name of Members	ASSETS
1	ORIX Leasing Pakistan Limited	25,990.80
2	First Treet Manufacturing Modaraba	13,175.69
3	First Habib Modaraba	11,124.02
4	Allied Rental Modaraba	8,829.04
5	ORIX Modaraba	6,966.01
6	Sindh Leasing Company Limited	4,097.79
7	LSE Financial Services Limited	3,156.55
8	Pak-Gulf Leasing Company Limited	2,661.79
9	First Punjab Modaraba	2,129.60
10	B.R.R. Guardian Modaraba	1,838.31

S. No.	Name of Members	EQUITY
1	ORIX Leasing Pakistan Limited	8,013.09
2	Allied Rental Modaraba	5,333.54
3	Sindh Leasing Company Limited	3,526.85
4	First Habib Modaraba	3,511.72
5	LSE Financial Services Limited	2,911.57
6	First Treet Manufacturing Modaraba	2,042.84
7	B.R.R. Guardian Modaraba	1,373.75
8	Awwal Modaraba	1,184.76
9	ORIX Modaraba	1,160.48
10	Sindh Modaraba	1,063.05

S. No.	Name of Members	EPC/EPS
1	First Imrooz Modaraba	8.44
2	ORIX Leasing Pakistan Limited	6.12
3	ORIX Modaraba	2.78
4	Pak-Gulf Leasing Company Limited	2.54
5	Capital Assets Leasing Corporation Ltd.	1.88
6	Sindh Modaraba	1.80
7	Allied Rental Modaraba	1.74
8	First Habib Modaraba	1.59
9	Orient Rental Modaraba	1.37
10	LSE Financial Services Limited	1.24

S. No.	Name of Members	Dividend %	Rs. (Million)
1	First Imrooz Modaraba	50.00	15.00
2	ORIX Leasing Pakistan Limited	37.50	626.46
3	First Habib Modaraba	28.00	282.24
4	ORIX Modaraba	25.00	113.46
5	Sindh Modaraba	13.50	60.75
6(a)	Allied Rental Modaraba	10.00	220.00
6(b)	First UDL Modaraba	10.00	39.03
6(c)	First Paramount Modaraba	10.00	13.79
6(d)	Orient Rental Modaraba	10.00	75.00
7	Awwal Modaraba	8.90	89.00
8	LSE Financial Services Limited	8.00	102.63
9	Pak-Gulf Leasing Company Limited	7.50	19.03
10	Popular Islamic Modaraba	3.48	3.48

S. No.	Name of Members	Rating	Agency
1(a)	First Habib Modaraba	AA+	PACRA
1(b)	ORIX Leasing Pakistan Limited	AA+	PACRA
2	ORIX Modaraba	AA	PACRA
3(a)	Allied Rental Modaraba	A+	VIS
3(b)	Sindh Leasing Company Limited	A+	VIS
3(c)	Sindh Modaraba	A+	VIS
4(a)	Escorts Investment Bank Limited	A-	PACRA
4(b)	First Punjab Modaraba	A-	PACRA
4(c)	Pak-Gulf Leasing Company Limited	A-	VIS
5	LSE Financial Services Limited	A	VIS
6(a)	Modaraba Al-Mali	BBB+	PACRA
6(b)	First Fidelity Leasing Modaraba	BBB+	PACRA
7	Trust Modaraba	BBB-	VIS
8	First Paramount Modaraba	BBB	VIS
9	Grays Leasing Limited	BB-	VIS
10	SME Leasing Limited	B	PACRA





**First UDL Modaraba**



**Diminishing  
Musharika**



**Ijarah**



**Trading**

- ◆ Flexible Terms
- ◆ Fast Processing
- ◆ Competitive Rates



# Member at a Glance



# Financial Over View

(Rs. in Million)

S. No.	Name of the Company	Total Assets		Total Equity		Net Profit/(Loss)		EPC/ EPS	Financing / Trading / Mfg. Assets
		Assets	%	Equity	%	Profit / (Loss)	%		
<b>Modarabas</b>									
1	Allied Rental Modaraba	8,829.04	16.38	5,333.54	25.61	382.85	(29.68)	1.74	6,434.72
2	Awwal Modaraba	1,234.33	2.29	1,184.76	5.69	111.38	(8.64)	1.11	669.99
3	B. F. Modaraba	126.32	0.23	136.19	0.65	1.78	(0.14)	0.24	0.00
4	B.R.R. Guardian Modaraba	1,838.31	3.41	1,373.75	6.60	44.84	(3.48)	0.52	104.13
5	First Al-Noor Modaraba	288.96	0.54	252.05	1.21	(14.12)	1.09	(0.67)	120.50
6	First Elite Capital Modaraba	182.27	0.34	113.25	0.54	(4.37)	0.34	(0.39)	121.40
7	First Equity Modaraba	636.46	1.18	594.31	2.85	(3.30)	0.26	(0.06)	139.58
8	First Fidelity Leasing Modaraba	382.25	0.71	341.00	1.64	1.15	(0.09)	0.04	133.12
9	First Habib Modaraba	11,124.02	20.64	3,511.72	16.86	319.69	(24.78)	1.59	9,679.28
10	First IBL Modaraba	229.73	0.43	190.97	0.92	4.71	(0.37)	0.22	107.71
11	First Imrooz Modaraba	341.23	0.63	139.16	0.67	25.31	(1.96)	8.44	212.68
12	First National Bank Modaraba	303.07	0.56	(22.11)	(0.11)	(35.72)	2.77	(1.43)	140.58
13	First Pak Modaraba	72.64	0.13	66.20	0.32	0.51	(0.04)	0.04	47.05
14	First Paramount Modaraba	466.94	0.87	215.57	1.04	12.09	(0.94)	0.88	250.48
15	First Prudential Modaraba	493.40	0.92	425.97	2.05	2.32	(0.18)	0.03	266.52
16	First Punjab Modaraba	2,129.60	3.95	192.61	0.92	6.23	(0.48)	0.18	1,529.72
17	First Treet Manufacturing Modaraba	13,175.69	24.44	2,042.84	9.81	(2,391.79)	185.43	(12.23)	1,951.40
18	First UDL Modaraba	493.56	0.92	464.51	2.23	(54.09)	4.19	(1.86)	62.84
19	Habib Metro Modaraba	319.42	0.59	312.11	1.50	11.09	(0.86)	0.37	168.02
20	KASB Modaraba	270.58	0.50	240.71	1.16	(34.24)	2.65	(0.71)	137.90
21	Modaraba Al-Mali	261.09	0.48	233.30	1.12	7.96	(0.62)	0.43	29.36
22	Orient Rental Modaraba	1,607.39	2.98	872.49	4.19	102.73	(7.96)	1.37	1,134.66
23	ORIX Modaraba	6,966.01	12.92	1,160.48	5.57	126.06	(9.77)	2.78	6,224.58
24	Popular Islamic Modaraba	120.57	0.22	86.06	0.41	4.84	(0.38)	0.48	61.96
25	Sindh Modaraba	1,639.27	3.04	1,063.05	5.10	81.15	(6.29)	1.80	666.72
26	Trust Modaraba	371.27	0.69	303.87	1.46	1.04	(0.08)	0.03	275.42
<b>TOTAL (A)</b>		<b>53,903.43</b>	<b>100.00</b>	<b>20,828.34</b>	<b>100.00</b>	<b>(1,289.89)</b>	<b>100.00</b>		<b>30,670.32</b>
<b>Leasing Companies</b>									
1	Capital Assets Leasing Corporation Ltd.	381.43	3.60	243.01	4.71	20.15	(26.01)	1.88	9.29
2	Grays Leasing Limited	292.49	2.76	67.47	1.31	(1.86)	2.40	(0.09)	278.28
3	Pak-Gulf Leasing Company Limited	2,661.79	25.10	758.65	12.90	64.38	(83.10)	2.54	2,385.28
4	Primus Leasing Limited	1,261.94	11.90	1,039.16	20.12	46.91	(60.55)	0.47	875.81
5	Saudi Pak Leasing Company Limited	743.79	7.01	(607.03)	(11.75)	27.17	(35.07)	0.60	0.38
6	Security Leasing Corporation Limited	656.77	6.19	117.17	2.27	(27.61)	35.64	(0.76)	251.40
7	Sindh Leasing Company Limited	4,097.79	38.64	3,526.85	68.29	(185.24)	239.11	(0.53)	3,009.16
8	SME Leasing Limited	509.00	4.80	111.68	2.16	(21.36)	27.57	(0.67)	492.41
<b>TOTAL (B)</b>		<b>10,605.01</b>	<b>100.00</b>	<b>5,256.96</b>	<b>100.00</b>	<b>(77.47)</b>	<b>100.00</b>		<b>7,302.01</b>
<b>Investment Finance Services</b>									
1	Escorts Investment Bank Limited	1,435.02	4.69	30.76	0.28	(50.30)	(4.45)	(1.14)	114.94
2	LSE Financial Services Limited	3,156.55	10.32	2,911.57	26.58	158.74	14.04	1.24	4.61
3	ORIX Leasing Pakistan Limited	25,990.80	84.99	8,013.09	73.14	1,022.52	90.41	6.12	22,000.24
<b>TOTAL (C)</b>		<b>30,582.38</b>	<b>100.00</b>	<b>10,955.42</b>	<b>100.00</b>	<b>1,130.96</b>	<b>100.00</b>		<b>22,119.79</b>
<b>GRAND TOTAL</b>		<b>95,090.81</b>		<b>37,040.72</b>		<b>(236.39)</b>			<b>60,092.12</b>



# Comparative Position of Payout

(Rs. in Million)

S. No.	Name	2019				2018			
		No. of Shareholders	Paid-up Capital	Cash Dividend / Bonus %	Payout	No. of Shareholders	Paid-up Capital	Cash Dividend / Bonus %	Payout
<b>Modarabas</b>									
1	Allied Rental Modaraba	441	2,200.00	10.00	220.00	442	2,000.00	*20.00	400.00
2	Awwal Modaraba	266	1,000.00	8.90	89.00	255	1,000.00	14.80	148.00
3	B.F. Modaraba	1,211	75.15	-	-	1,268	75.15	-	-
4	B.R.R. Guardian Modaraba	7,876	863.62	2.40	20.73	6,429	863.62	3.40	29.36
5	First Al-Noor Modaraba	589	210.00	-	-	625	210.00	-	-
6	First Elite Capital Modaraba	4,538	113.40	-	-	4,572	113.40	3.00	3.40
7	First Equity Modaraba	5,066	524.40	-	-	5,077	524.40	-	-
8	First Fidelity Leasing Modaraba	7,456	264.14	-	-	7,523	264.14	6.50	17.17
9	First Habib Modaraba	4,600	1,008.00	28.00	282.24	4,652	1,008.00	25.00	252.00
10	First IBL Modaraba	1,230	216.88	1.60	3.47	1,252	216.88	-	-
11	First Imrooz Modaraba	364	30.00	50.00	15.00	365	30.00	56.67	17.00
12	First National Bank Modaraba	1,065	250.00	-	-	1,076	250.00	-	-
13	First Pak Modaraba	4,161	125.40	-	-	4,193	125.40	1.40	1.76
14	First Paramount Modaraba	1,294	137.88	10.00	13.79	1,306	137.88	7.00	9.65
15	First Prudential Modaraba	11,147	872.18	-	-	11,276	872.18	-	-
16	First Punjab Modaraba	4,181	340.20	-	-	4,163	340.20	5.00	17.01
17	First Treet Manufacturing Modaraba	214	1,956.00	-	-	222	1,956.00	-	-
18	First UDI Modaraba	3,315	290.25	*10.00	29.03	3,322	263.87	**10.00	26.39
19	Habib Metro Modaraba	1,188	300.00	2.75	8.25	1,329	300.00	1.00	3.00
20	KASB Modaraba	1,160	480.66	-	-	1,120	480.66	-	-
21	Modaraba Al-Mali	3,549	184.24	1.60	2.95	3,590	184.24	5.00	9.21
22	Orient Rental Modaraba	755	750.00	10.00	75.00	812	750.00	6.90	51.75
23	ORIX Modaraba	8,565	453.84	25.00	113.46	8,604	453.84	25.00	113.46
24	Popular Islamic Modaraba	1,007	100.00	3.48	3.48	1,015	100.00	-	-
25	Sindh Modaraba	700	450.00	13.50	60.75	725	450.00	7.50	33.75
26	Trust Modaraba	2,525	298.00	-	-	2,533	298.00	-	-
	<b>Total "A"</b>	<b>78,463</b>	<b>13,494.24</b>		<b>937.14</b>	<b>77,746</b>	<b>13,267.85</b>		<b>1,132.91</b>
<b>Leasing Companies</b>									
27	Capital Assets Leasing Corporation Ltd.	780	107.44	-	-	786	107.44	-	-
28	Grays Leasing Limited	396	215.00	-	-	407	215.00	-	-
29	Pak-Gulf Leasing Company Limited	178	253.70	7.50	19.03	182	253.70	12.50	31.71
30	Primus Leasing Limited	6	1,000.00	-	-	6	1,000.00	2.00	20.00
31	Saudi Pak Leasing Company Limited	1,857	979.81	-	-	1,872	979.81	-	-
32	Security Leasing Corporation Limited	379	438.03	-	-	375	438.03	-	-
33	Sindh Leasing Company Limited	8	3,500.00	-	-	8	3,500.00	-	-
34	SME Leasing Limited	365	320.00	-	-	382	320.00	-	-
	<b>Total "B"</b>	<b>3,969</b>	<b>6,813.98</b>		<b>19.03</b>	<b>4,018</b>	<b>6,813.98</b>		<b>51.71</b>
<b>Investment Financial Services</b>									
35	Escorts Investment Bank Limited	1,023	441.00	-	-	1,027	441.00	-	-
36	LSE Financial Services Limited	195	1,282.84	8.00	102.63	187	1,282.84	5.00	64.14
37	ORIX Leasing Pakistan Limited	3,671	1,670.55	37.50	626.46	3,495	1,392.12	***50.00	696.06
	<b>Total "C"</b>	<b>4,889</b>	<b>3,394.39</b>		<b>729.08</b>	<b>4,709</b>	<b>3,115.97</b>		<b>760.20</b>
	<b>Total (A+B+C)</b>	<b>87,321</b>	<b>23,702.61</b>		<b>1,685.25</b>	<b>86,473</b>	<b>23,197.80</b>		<b>1,944.83</b>

\* 10% bonus

\* Includes 10% bonus

\*\* 10% bonus

\*\*\* Includes 20% bonus



**NBF & Modaraba**  
Association of Pakistan

Year Book 2019

# Comparative Statement of Market Capitalization

(Rs. in Million)

S. No.	Name	Jun-19			Jun-18		
		Paid-up Capital	Market Rate	Market Capitalization	Paid-up Capital	Market Rate	Market Capitalization
<b>Modarabas</b>							
1	Allied Rental Modaraba	2,200,000,000	13.00	2,860,000,000	2,000,000,000	17.11	3,422,000,000
2	Awwal Modaraba	1,000,000,000	11.10	1,110,000,000	1,000,000,000	11.50	1,150,000,000
3	B.F. Modaraba	75,151,587	5.00	37,575,794	75,151,587	8.80	66,133,397
4	B.R.R. Guardian Modaraba	863,622,630	8.12	701,261,576	863,622,630	8.74	754,806,179
5	First Al-Noor Modaraba	210,000,000	3.10	65,100,000	210,000,000	3.00	63,000,000
6	First Elite Capital Modaraba	113,400,000	1.60	18,144,000	113,400,000	3.25	36,855,000
7	First Equity Modaraba	524,400,000	2.16	113,270,400	524,400,000	3.70	194,028,000
8	First Fidelity Leasing Modaraba	264,138,040	4.30	113,579,357	264,138,040	5.51	145,540,060
9	First Habib Modaraba	1,008,000,000	9.41	1,897,056,000	1,008,000,000	10.75	2,167,200,000
10	First IBL Modaraba	216,875,000	2.50	54,218,750	216,875,000	4.37	94,774,375
11	First Imrooz Modaraba	30,000,000	155.59	466,770,000	30,000,000	219.57	658,710,000
12	First National Bank Modaraba	250,000,000	1.00	25,000,000	250,000,000	1.70	42,500,000
13	First Pak Modaraba	125,400,000	1.08	13,543,200	125,400,000	1.78	22,321,200
14	First Paramount Modaraba	137,884,193	4.50	62,047,887	137,884,193	6.50	89,624,725
15	First Prudential Modaraba	872,176,600	0.87	75,879,364	872,176,600	1.64	143,036,962
16	First Punjab Modaraba	340,200,000	2.30	78,246,000	340,200,000	5.50	187,110,000
17	First Treet Manufacturing Modaraba	1,956,000,000	10.31	2,016,636,000	1,956,000,000	26.75	5,232,300,000
18	First UDL Modaraba	290,252,470	6.24	181,117,541	263,865,890	18.65	492,109,885
19	Habib Metro Modaraba	300,000,000	10.00	300,000,000	300,000,000	10.00	300,000,000
20	KASB Modaraba	480,664,800	1.21	58,160,441	480,664,800	1.71	82,193,681
21	Modaraba Al-Mall	184,239,450	4.04	74,432,738	184,239,450	3.56	65,589,244
22	Orient Rental Modaraba	750,000,000	10.60	795,000,000	750,000,000	10.25	768,750,000
23	ORIX Modaraba	453,835,300	15.50	703,444,715	453,835,300	16.61	753,820,433
24	Popular Islamic Modaraba	100,000,000	2.99	29,900,000	100,000,000	4.65	46,500,000
25	Sindh Modaraba	450,000,000	7.50	337,500,000	450,000,000	7.00	315,000,000
26	Trust Modaraba	298,000,000	1.50	44,700,000	298,000,000	4.00	119,200,000
	<b>Total "A"</b>	<b>13,494,240,070</b>		<b>12,232,583,762</b>	<b>13,267,853,490</b>		<b>17,413,103,141</b>
<b>Leasing Companies</b>							
1	Capital Assets Leasing Corp. Ltd.	107,444,130	9.62	103,361,253	107,444,130	9.55	102,609,144
2	Grays Leasing Limited	215,000,000	3.55	76,325,000	215,000,000	3.87	83,205,000
3	Pak-Gulf Leasing Company Limited	253,698,000	13.00	329,807,400	253,698,000	11.95	303,169,110
4	Primus Leasing Limited	1,000,000,000	-	Unlisted	1,000,000,000	-	Unlisted
5	Saudi Pak Leasing Company Limited	979,813,500	0.90	88,183,215	979,813,500	0.90	88,183,215
6	Security Leasing Corporation Limited	438,027,750	3.14	137,540,714	438,027,750	11.60	508,112,190
7	Sindh Leasing Company Limited	3,500,000,000	-	Unlisted	3,500,000,000	-	Unlisted
8	SME Leasing Limited	320,000,000	2.00	64,000,000	320,000,000	2.60	83,200,000
	<b>Total "B"</b>	<b>6,813,983,380</b>		<b>799,217,582</b>	<b>6,813,983,380</b>		<b>1,168,478,659</b>
<b>Investment Finance Services</b>							
1	Escorts Investment Bank Limited	441,000,000	12.15	535,815,000	441,000,000	32.39	1,428,399,000
2	LSE Financial Services Limited	1,282,842,000	-	Unlisted	1,282,842,000	-	Unlisted
3	ORIX Leasing Pakistan Limited	1,670,549,020	24.61	4,111,221,138	1,392,124,190	43.47	6,051,563,854
	<b>Total "C"</b>	<b>3,394,391,020</b>		<b>4,647,036,138</b>	<b>3,115,966,190</b>		<b>7,479,962,854</b>
	<b>Total (A+B+C)</b>	<b>23,702,614,470</b>		<b>17,678,837,482</b>	<b>23,197,803,060</b>		<b>26,061,544,654</b>





# Members Profile



# ALLIED RENTAL MODARABA



**Mr. Murtaza Ahmed Ali**  
Chief Executive Officer

## BOARD OF DIRECTORS

Syed Faisal Ali	: Chairman
Mr. Murtaza Ahmed Ali	: Chief Executive
Khwaja Ahad Rahman	: Non-Executive Director
Mr. Raees A. Khan	: Non-Executive Director
Mr. Ali Akbar	: Non-Executive Director
Mr. Hassan Shehzad Abidi	: Non-Executive Director
Mr. Abdul Rahim Suriya	: Non-Executive Director (Independent)

## COMPANY INFORMATION

Allied Rental Modaraba was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by the Allied Engineering management Company (Private) Limited (the Modaraba Management Company), which is a wholly owned subsidiary of Allied Engineering and Services (Private) Limited. The Modaraba Management company is incorporated in Pakistan under the repealed Companies Ordinance, 1954 (now Companies Act, 2017) and is registered with the Registrar of Modaraba Companies and Modarabas under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

The Modaraba is a perpetual Modaraba and is primarily engaged in rental/lease and operation and maintenance of Caterpillar and other equipment (i.e. generators, forklifts, compactors etc.). The registered office of the Modaraba is located at 21/3, Sector 22, Korangi Industrial Area, Karachi. The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba commenced its operations on January 10, 2007.

## CORPORATE INFORMATION

Commenced Business on :	January 10, 2007
Head Office :	21/3, Sector-22, Korangi Industrial Area, Karachi
Tel :	(92-21) 111-250-250, 35068901-13
Fax :	(92-21) 35068915-16
Email :	rental@aesl.com.pk
Website :	www.arm.com.pk
Offices at :	Lahore, Islamabad, Multan, Peshawar, Quetta & Faisalabad
Listed at :	Pakistan Stock Exchange Limited
Auditors :	KPMG Taseer Hadi & Co., Chartered Accountants
Legal Advisors :	Mr. Khalid Ahmed Siddiqui, Advocate
Shariah Advisor :	Muft Ishaq Ahmed Ajaz

## KEY PERSON

Mr. Murtaza Ahmed Ali	: Chief Executive Officer
Mr. Muhammad Saad	: Chief Financial Officer
Mr. Muzzammil Tariq	: Company Secretary
Mr. Abid Altaf	: Head of Internal Audit
Syed Zulqarnain Jafri	: Business Unit Head - Power
Mr. Ali Ahsan	: Business Unit Head - Logistics & MHE
Mr. Rashid Jehangiri	: Business Unit Head - Machines & Cranes
Mr. Ali Ammar	: Business Administrator
Mr. Muhammad Azeem Siddiqui	: Head of Human Resource & Administration
Mr. Muhammad Farooq	: Head of Information Technology

## CREDIT RATING

Short Term	A-1	Rating Agency
Long Term	A+	VIS Credit Rating Company Ltd.



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
<b>EQUITY</b> (Rupees in Million)			
Issued, Subscribed & Paid up Capital		2,200.00	2,000.00
Reserves & Retained Earning		3,133.54	3,150.54
<b>Total Equity</b>		<b>5,333.54</b>	<b>5,150.54</b>
<b>LIABILITIES</b>			
Total Borrowings		2,414.60	3,043.99
Deposits (COD/COB/COM)		-	-
Other Liabilities		1,080.90	841.96
<b>Total Liabilities</b>		<b>3,495.50</b>	<b>3,885.95</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>8,828.04</b>	<b>9,036.48</b>
<b>ASSETS</b>			
Fixed Assets		139.83	131.28
Financing Assets		6,434.72	6,732.94
Investments		-	-
Other Assets		2,254.45	2,172.26
<b>Total Assets</b>		<b>8,828.04</b>	<b>9,036.48</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.66	0.75
Current Ratio (x)		1.10	1.23
Break-up Value (Rs.)		24.24	25.75
Return on Equity %		7.30	8.06
Return on Assets %		4.29	4.54

PROFIT & LOSS		Jun-19	Jun-18
<b>INCOME</b> (Rupees in Million)			
Income from financing assets		3,821.67	3,696.14
Capital Gain on Investment		5.03	6.67
Dividend Income		-	-
Other Income		96.87	7.04
<b>Total Income</b>		<b>3,923.57</b>	<b>3,709.85</b>
<b>EXPENSES</b>			
Operating & Administrative Expenses		3,152.03	2,974.48
Financial expenses		288.37	246.74
Provision for bad debts / Impairments		103.31	93.51
Provision for Impairment on Investment		-	-
WWF		-	-
<b>Total Expenses</b>		<b>3,543.71</b>	<b>3,314.73</b>
<b>Profit Before Tax</b>		<b>382.85</b>	<b>395.12</b>
Taxation		-	-
<b>Net Profit</b>		<b>382.85</b>	<b>395.12</b>
Dividend Payment (Rs.)		220.00	400.00
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		1.74	1.89
Dividend per Certificate (%)		10.00	20.00



# AWWAL MODARABA



**Mr. Karim Hafim**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	: Chairman - Independent Director
Mr. Shahid Ghaffar	: Independent Director
Ms. Ayesha Aziz	: Non Executive Director
Mr. Abdul Jaleel Shalkh	: Non Executive Director
Mr. Ahmed Ateeq	: Non Executive Director
Mr. Karim Hafim	: Chief Executive Officer

## COMPANY INFORMATION

Awwal Modaraba (the Modaraba) has been floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder. The Modaraba is managed by the Awwal Modaraba Management Limited (Management Company), a company wholly owned by Pak Brunel Investment Company Limited (Holding Company). After receiving certificate of minimum subscription, the Modaraba commenced its business operations with effect from 10 February 2016. The registered office is situated at 6th Floor, Horizon Vista, Plot Commercial No. 10, Block No. 4, Scheme No. 5, Clifton, Karachi.

Awwal Modaraba is a perpetual, multi purpose and multi dimensional Modaraba and is primarily engaged in providing Working Capital, Term Finance, Ijarah, Musharaka, Morabaha, advisory services and other Shari'ah compliant investment / instrument to credit worthy customers. The Modaraba is listed on Pakistan Stock Exchange Limited (PSX).

## CORPORATE INFORMATION

Commenced Business on :	February 10, 2016
Head Office :	6th Floor, Horizon Vista, Plot No. Commercial 10, Block-4, Scheme-5, Clifton, Karachi.
Tel :	(92-21) 38771685
Fax :	(92-21) 35374275
Email :	info@awwal.com.pk
Website :	www.awwal.com.pk
Offices at :	Karachi
Listed at :	Pakistan Stock Exchange Limited
Auditors :	KPMG Taseer Hadi & Co., Chartered Accountants
Legal Advisors :	LMA Ibrahim Hossain
Shari'ah Advisor :	Mufti Muhammad Hassan Kaleem

## KEY PERSON

Mr. Karim Hafim	: Chief Executive Officer
Ms. Iqra Sajjad	: Company Secretary
Mr. Sadaf Shabbir	: Head - Structured Finance
Mr. Mansoor Ahmed	: Head - Advisory & Capital Markets
Syed Askary Halder Rizvi	: Chief Financial Officer

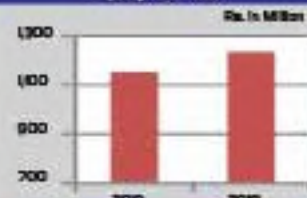
## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

## Balance Sheet Growth



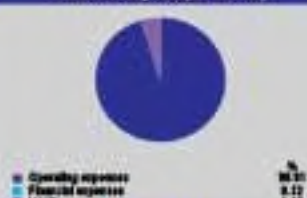
## Equity Growth



## Revenue Analysis (2018-19)



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
<b>EQUITY</b> (Rupees in Million)			
Issued, Subscribed & Paid up Certificate Capital		1,000.00	1,000.00
Reserves & Retained Earning		184.76	221.37
<b>Total Equity</b>		<b>1,184.76</b>	<b>1,221.37</b>
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (OOD/CO/COM)		-	-
Other Liabilities		45.57	51.72
<b>Total Liabilities</b>		<b>45.57</b>	<b>51.72</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,230.33</b>	<b>1,273.09</b>
<b>ASSETS</b>			
Fixed Assets		1.46	2.57
Financing Assets		669.99	778.81
Investments		245.88	66.88
Other Assets		314.00	434.83
<b>Total Assets</b>		<b>1,231.33</b>	<b>1,283.09</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.04	0.05
Current Ratio (x)		16.30	12.46
Break-up Value (Rs.)		11.85	12.21
Return on Equity %		9.40	15.04
Return on Assets %		8.85	14.78
<b>PROFIT &amp; LOSS</b>		Jun-19	Jun-18
<b>INCOME</b> (Rupees in Million)			
Income from financing assets		90.80	69.48
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		94.58	193.83
<b>Total Income</b>		<b>185.38</b>	<b>263.31</b>
<b>EXPENSES</b>			
Operating expenses		71.64	75.80
Financial expenses		0.09	0.03
Provision for bad debts / Impairments		-	-
Provision for Impairment on Investment		-	-
WFF		2.27	3.75
<b>Total Expenses</b>		<b>74.00</b>	<b>79.58</b>
Profit Before Tax		111.38	183.73
Taxation		-	-
<b>Net Profit</b>		<b>111.38</b>	<b>183.73</b>
Dividend Payment (Rs.)		85.00	148.00
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		1.11	1.84
Dividend per Certificate (%)		8.90	14.80



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Association of Pakistan

Year Book 2019

## B.F. MODARABA



**Mr. Muhammad Omar Amin Bawany**  
Chief Executive Officer

### BOARD OF DIRECTORS

Mr. Ahmed Ali Mohammad Amin Bawany	: Chairman
Mr. Muhammad Omar Amin Bawany	: Chief Executive
Mr. Hamza Omar Bawany	: Director
Mr. Abdul Ghaflar Umer	: Independent Director

### COMPANY INFORMATION

B. F. Modaraba (The Modaraba) was formed under the Modaraba Companies and Modaraba (Fiscalization and Control) Ordinance, 1980 and the rules framed thereunder. The Modaraba is managed by E. A. Management (Pvt.) Limited. The registered office of the Modaraba is situated at 43-1-E, (B), PECHS, Block-6, Off Rad Road, Karachi. The Modaraba is listed on Pakistan Stock Exchange Limited.

It is a perpetual multi-purpose Modaraba and is primarily engaged in leasing, investments, trading, musharika and morabaha transactions.

### CORPORATE INFORMATION

Commenced Business on :	June 11, 1989
Head Office	43-1-E, (B), PECHS, Block-6, Rad Road, Off Shahrah-e-Faisal, Karachi.
Tel	UAK: 111-229-269
Fax	(92-21) 34322564
Email	Info@bfmodaraba.com.pk
Website	www.bfmodaraba.com.pk
Offices at	Karachi
Listed at	Pakistan Stock Exchange Limited
Auditors	Rahman Sarfraz Rahim iqbal Ratty, Chartered Accountants
Legal Advisors	Mr. Ghulam Rasool Koral
Shari'ah Advisor	Mufti Zubair Usmani

### KEY PERSON

Mr. Muhammad Omar Amin Bawany	: Chief Executive
Mr. Muhammad Ayub	: CFO & Company Secretary

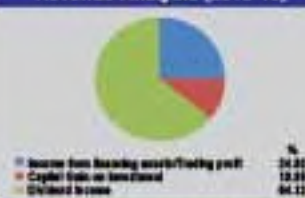
### CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

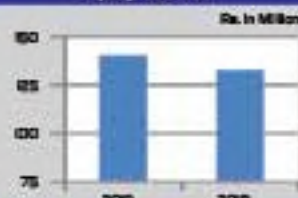
### Balance Sheet Growth



### Revenue Analysis (2018-19)



### Equity Growth



### Cost Analysis (2018-19)



### PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET	Jun-19	Jun-18
<b>EQUITY</b>	(Rupees in Million)	
Issued, Subscribed & Paid up Capital	75.15	75.15
Reserves & Retained Earning	61.04	55.79
Total Equity	136.19	130.94
Surplus on revaluation of Investments	(13.37)	2.29
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (OD/CCO/COM)	-	-
Other Liabilities	3.50	6.88
Total Liabilities	3.50	6.88
<b>TOTAL EQUITY &amp; LIABILITIES</b>	139.62	140.11
<b>ASSETS</b>		
Fixed Assets	0.03	0.04
Financing Assets	-	-
Investments	95.62	97.65
Other Assets	30.67	42.42
Total Asset	126.32	140.11
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.03	0.06
Current Ratio (x)	36.12	18.63
Break-up Value (Rs.)	18.12	17.73
Return on Equity %	1.31	2.84
Return on Assets %	1.41	2.64
<b>PROFIT &amp; LOSS</b>	Jun-19	Jun-18
<b>INCOME</b>	(Rupees in Million)	
Income from financing assets / Trading	2.54	(4.25)
Capital Gain on Investment	1.12	11.90
Dividend Income	6.55	4.78
Other Income	-	-
Total Income	10.21	12.43
<b>EXPENSES</b>		
Operating expenses	7.09	7.96
Financial expenses	-	-
Provision for bad debts / Impairments	-	-
Provision for impairment on Investment	-	-
WFF	0.06	0.09
Total Expenses	7.16	8.06
Profit Before Tax	3.06	4.39
Taxation	1.28	0.67
Net Profit	1.78	3.72
Dividend Payment (Rs.)	-	-
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.24	0.49
Dividend per Certificate (%)	-	-



## B.R.R. GUARDIAN MODARABA



**Mr. Ayaz Dawood**  
Chief Executive Officer

### BOARD OF DIRECTORS

Mr. Rafique Dawood	: Chairman
Ayaz Dawood	: Chief Executive
Waqas Anwar Qureshi	: Director
Syed Ali Raza	: Director

### COMPANY INFORMATION

B.R.R. Guardian Modaraba (the Modaraba) is a multipurpose, perpetual Modaraba floated under the Modaraba Companies and Modaraba (Formation and Control) Ordinance, 1980 and the Rules framed there under and is managed by B.R.R. Investments (Private) Limited, having its registered office at 18th Floor, BRR Tower, Hassan Ali Street, of I.I. Chundrigar Road, Karachi.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba's principal activity is leasing (Ijarah) of assets, deployment of funds in musharakas, murabahas and investment in properties, equity and debt securities. The Modaraba also provides custodial and management services in the name of B.R.R. Security Vault.

### CORPORATE INFORMATION

Commenced Business on	: November 1985
Head Office	: 18th Floor, B.R.R. Tower, Hassan Ali Street, off. I.I. Chundrigar Road, Karachi. (52-21) 32652401-06
Tel	: (52-21) 32271912
Fax	: (52-21) 32271912
Email	: <a href="mailto:bn@firstdawood.com">bn@firstdawood.com</a>
Website	: <a href="http://www.firstdawood.com/brr">www.firstdawood.com/brr</a>
Office at	: Karachi and Islamabad
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Horwath Hussain Chaudhry & Co., Chartered Accountants
Legal Advisor	: A.Q. Abbasi & Associates Malki & Malki Law Associates Minko & Mirza Nuruddin Saki & Co. Rabbani & Ansari Advocates S & S Durani Law Associate
Shari'ah Advisor	: Mufti Muhammad Aqeel

### KEY PERSON

Ayaz Dawood	: Chief Executive
Syed Tariq Masood	: Chief Financial Officer
Mr. Tahir Mehmood	: Company Secretary
Mr. Abdul Rahman Subhan	: Head of Internal Audit

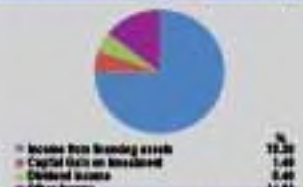
### CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

### Balance Sheet Growth



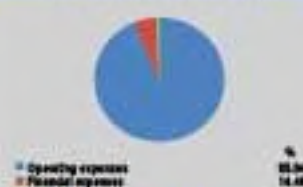
### Revenue Analysis (2018-18)



### Equity Growth



### Cost Analysis (2018-18)



### PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
<b>EQUITY</b>		(Rupees in Million)	
Issued, Subscribed & Paid up Capital		863.62	863.62
Reserves & Retained Earning		510.12	526.28
<b>Total Equity</b>		<b>1,373.74</b>	<b>1,391.90</b>
<b>LIABILITIES</b>			
Total Borrowings		212.19	350.60
Deposits (COD/COD/COM)		-	-
Other Liabilities		252.38	339.27
<b>Total Liabilities</b>		<b>464.57</b>	<b>689.88</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,838.31</b>	<b>2,081.78</b>
<b>ASSETS</b>			
Fixed Assets		99.47	104.94
Financing Assets		104.13	128.36
Investments		596.86	760.24
Other Assets		1,037.85	1,088.24
<b>Total Assets</b>		<b>1,838.31</b>	<b>2,081.78</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.34	0.50
Current Ratio (x)		1.74	1.84
Break-up Value (Rs.)		15.91	16.12
Return on Equity %		3.24	4.89
Return on Assets %		2.25	3.14
<b>PROFIT &amp; LOSS</b>		Jun-19	Jun-18
<b>INCOME</b>		(Rupees in Million)	
Income from financing assets		178.23	159.92
Capital Gain on Investment		3.33	14.11
Dividend Income		12.30	13.61
Other Income		33.76	38.34
<b>Total Income</b>		<b>227.62</b>	<b>225.98</b>
<b>EXPENSES</b>			
Operating expenses		155.43	147.89
Financial expenses		26.42	11.84
Provision for bad debts / Impairments		-	-
Provision for impairment on investment		-	-
WAF		0.92	1.33
<b>Total Expenses</b>		<b>182.77</b>	<b>181.08</b>
<b>Profit Before Tax</b>		<b>44.84</b>	<b>64.52</b>
Taxation		-	-
<b>Net Profit</b>		<b>44.84</b>	<b>64.52</b>
Dividend Payment (Rs.)		20.73	29.36
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		0.52	0.75
Dividend per Certificate (%)		2.48	3.40



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Year Book 2019

# CAPITAL ASSETS LEASING CORPORATION LIMITED



**Mr. Irfan Ahmad**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Halder Ali Hillaly	:	Chairman
Mr. Saad Saeed Faruqui	:	Director
Mr. Shahrukh Saeed Faruqui	:	Director
Mr. Brig (R) Yasub Ali Dogar	:	Director
Mr. Azam Adnan Khan	:	Director
Ms. Sana Shahzad	:	Director
Mr. Tahir Sohail	:	Director

## COMPANY INFORMATION

The company and its business CAPITAL ASSETS LEASING CORPORATION LIMITED was incorporated on April 1, 1992 in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company is to carry on leasing business. In addition, the company is also engaged in plying for hire vehicles through its holding company.

The registered office of the company is situated at D-131/A, Block-4, Clifton, Karachi. The company is a subsidiary of M/s. Optimus Limited which holds 83.98% ordinary share capital of the company.

## CORPORATE INFORMATION

<b>Commenced Business on :</b>	April 01, 1992
<b>Head Office :</b>	D-131/A, Block-4, Clifton, Karachi.
<b>Tel :</b>	(92+21) 38771130
<b>Email :</b>	calcorp@optimus.com.pk
<b>Website :</b>	www.calcorp.com.pk
<b>Offices at :</b>	Karachi
<b>Listed at :</b>	Pakistan Stock Exchange Limited
<b>Auditors :</b>	Baker Tilly Mehmood Idrees Qamar, Chartered Accountants
<b>Legal Advisors :</b>	Mohsin Tayebaly & Co. Advocates

## KEY PERSON

Mr. Irfan Ahmad	:	Chief Executive Officer
Ms. Shomaila Siddiqui	:	Chief Financial Officer & Company Secretary
Mr. Ajaz Muhammad	:	Head of Internal Audit

## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
<b>EQUITY</b>		(Rupees in Million)	
Issued, Subscribed & Paid up Capital		107.44	107.44
Reserves & Retained Earning		135.57	115.42
<b>Total Equity</b>		<b>243.01</b>	<b>222.88</b>
<b>LIABILITIES</b>			
Total Borrowings		105.97	160.43
Deposits (COD/COD/COM)		-	-
Other Liabilities		32.45	24.08
<b>Total Liabilities</b>		<b>138.42</b>	<b>184.51</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>381.43</b>	<b>407.37</b>
<b>ASSETS</b>			
Fixed Assets		217.72	268.82
Financing Assets		9.29	9.29
Investments		-	-
Other Assets		154.43	129.26
<b>Total Assets</b>		<b>381.43</b>	<b>407.37</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.55	0.83
Current Ratio (x)		2.42	1.68
Break-up Value (Rs.)		23.17	20.74
Return on Equity %		8.29	15.16
Return on Assets %		5.28	8.30

PROFIT & LOSS		Jun-19	Jun-18
<b>INCOME</b>		(Rupees in Million)	
Income from financing assets / operations		50.37	43.70
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		8.28	20.76
<b>Total Income</b>		<b>58.65</b>	<b>64.46</b>
<b>EXPENSES</b>			
Operating expenses		16.63	8.23
Financial expenses		14.64	15.47
Provision for bad debts / impairments		-	-
Provision for Impairment on Investment		-	-
<b>WAF</b>		<b>-</b>	<b>-</b>
<b>Total Expenses</b>		<b>31.27</b>	<b>23.70</b>
<b>Profit Before Tax</b>		<b>27.38</b>	<b>40.76</b>
Taxation		7.23	6.97
<b>Net Profit</b>		<b>20.15</b>	<b>33.79</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		1.88	3.15
Dividend per Share (%)		-	-



# ESCORTS INVESTMENT BANK LIMITED



**Mr. Naveed Amin**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Zain Malik	: Chairman
Mr. Naveed Amin	: President & CEO
Mr. Rashid Ahmed	
Mr. Umair Raffique Vadria	
Mr. Karim Hafim	
Mr. Tahir Saeed Effendi	
Mr. Khawaja Nadeem Abbas	

## COMPANY INFORMATION

Escorts Investment Bank Limited ("the Company") is a public limited company incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (Now the Companies Act, 2017) on 15 May 1995. The Company started its commercial operations on 16 October 1996 and is listed on the Pakistan Stock Exchange Limited. The Company is licensed to carry out investment finance services, as a Non-Banking Finance Company under Section 282-C of the Companies Ordinance, 1984 and Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003. The Company is a subsidiary of Bahria Town (Private) Limited.

## CORPORATE INFORMATION

Commenced Business on	: May 15, 1995
Head Office	: Alifiah Building, 1st Floor, Sector-6, Bahria Town, Lahore.
Tel	: (92-42) 35341945-6 LHM: 0000 3425
Email	: info@escortsbank.net
Website	: www.escortsbank.net
Offices at	: Lahore, Karachi, Rawalpindi / Islamabad, Rahim, Elahabad & Hafizabad
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Tariq Abdul Ghani Marjooli & Co., Chartered Accountants
Internal Auditors & Tax Consultants	: Rizq Arsal & Company, Chartered Accountants
Legal Advisors	: Cornelius, Lane & Mufti, Advocates & Solicitors

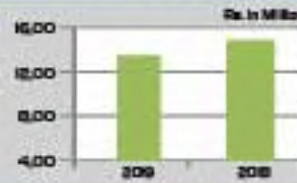
## KEY PERSON

Mr. Naveed Amin	: President & CEO
Mr. Muhammad Usman Khalid	: Chief Financial Officer
Mr. Ajwad Ali	: Company Secretary

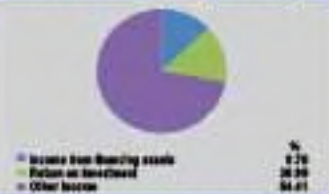
## CREDIT RATING

Short Term	A2	Rating Agency
Long Term	A-	Pakistan Credit Rating Agency Limited

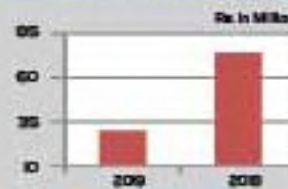
## Balance Sheet Growth



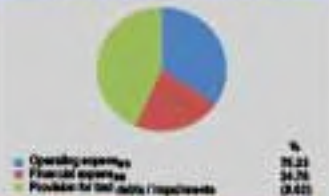
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		441.00	441.00
Reserves & Retained Earning		(410.24)	(360.94)
<b>Total Equity</b>		<b>30.76</b>	<b>80.06</b>
Surplus on revaluation of Investments		18.94	19.94
<b>LIABILITIES</b>			
Total Borrowings		894.89	826.00
Deposits (COD/COM/COM)		189.71	282.94
Other Liabilities		300.72	311.00
<b>Total Liabilities</b>		<b>1,385.32</b>	<b>1,419.94</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,416.02</b>	<b>1,519.94</b>
<b>ASSETS</b>			
Fixed Assets		114.39	102.82
Financing Assets		114.94	12.59
Investments		230.50	279.16
Other Assets		975.19	1,125.37
<b>Total Assets</b>		<b>1,436.02</b>	<b>1,519.94</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		24.59	14.20
Current Ratio (x)		1.43	1.88
Break-up Value (Rs.)		1.13	2.27
Return on Equity %		(67.19)	(87.21)
Return on Assets %		(3.40)	(12.31)

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets		9.81	4.10
Return on Investment		41.61	4.77
Dividend Income		-	-
Other Income		61.37	22.94
<b>Total Income</b>		<b>112.80</b>	<b>31.81</b>
<b>EXPENSES</b>			
Operating expenses		122.26	205.53
Financial expenses		40.08	58.63
Provision for bad debts / Impairments		(0.04)	(0.18)
Amortization of Premium on HTM Investment		-	-
WWF		-	-
<b>Total Expenses</b>		<b>162.30</b>	<b>264.34</b>
Loss Before Tax		(49.51)	(233.16)
Taxation		0.79	(78.75)
<b>Net Loss</b>		<b>(60.30)</b>	<b>(164.41)</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		(1.14)	(3.50)
Dividend per Share (%)		-	-



**NBF & Modaraba**  
Association of Pakistan

Year Book 2019

## FINJA LENDING SERVICES LIMITED



**Mr. Kamran Aslam Zuberi**  
Director/CEO

### BOARD OF DIRECTORS

Mr. Monis Ur Rahman	:	Director
Mr. Kamran Aslam Zuberi	:	CEO/Director
Mr. Qasim Shahid	:	Director
Mr. Nabeel Anjum Malik	:	Independent Director

### COMPANY INFORMATION

Finja Lending Services Ltd. (FLSL) is a licensed Non-Banking Financial Institution (NBFI) approved by the Securities & Exchange Commission of Pakistan (SECP). FLSL aims to use digital technology in order to provide financial products and services to a broad range of customers including but not limited to salaried, underbanked, unbanked customers and millennial customer segments in the country; meeting the financial needs of SMEs, their employees, suppliers, vendors, digitally. FLSL mainly focuses on technology-based credit appraisals to gauge the creditworthiness of prospective borrowers, which is primarily generated through segmented digital lending products.

The company has digitally processed loans to Micro, Small and Medium Enterprises (MSMEs) and their employees through advanced transactional analytics and credit algorithms - consumer behavior and credit scoring is calculated in real-time to determine the maximum credit limit that can be availed by each segment. FLSL remains prudent with its lending portfolio ensuring a system of mitigating regulatory risks.

### CORPORATE INFORMATION

Commenced Business on :	February 21, 2020
Head Office :	Finja House, 2-A, Zafar Ali Road, Gulberg V, Lahore
Tel :	(92-42) 35775786
Email :	info@finja.pk
Website :	www.finja.pk
Offices at :	Lahore
Listed at :	-
Auditors :	PricewaterhouseCoopers (PWC)
Legal Advisors :	Mr. Asad Salahuddin - Lex Legal Practice

### KEY PERSON

Mr. Kamran Aslam Zuberi	:	CEO/Director
Mr. Zain Javid	:	Head of Business
Mr. Shakeel ur Rehman	:	Head of Risk, Compliance and Internal Controls
Mr. Hasan Mubarak	:	Head of Business Alliances
Mr. Ahmad Zubian	:	Head of Finance and Company Secretary
Ms. Ranna Azam	:	Head of Products

### CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

### SEGMENTED LENDING PRODUCTS

#### Consumption Loans

Individuals can avail the following loan types through FLSL:

**Salary / Professional Line of Credit:** Instant employee advances / line of credit for salaried professionals at competitive processing charges through FINJA mobile wallet. Additionally, salaried professionals can also avail credit for tenures ranging between 2 to 18 months underwritten by employers using Finja Business.

**Equal Monthly Instalment / QistonPay:** Users can make purchases on marketplace on instant equal monthly instalment plans ranging from 3 to 12 months at competitive rates

#### Productive Loans

SMEs can avail short-term lending through FLSL for:

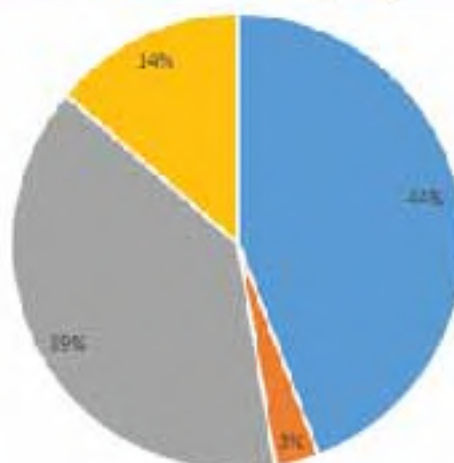
**Supply Chain Loan:** In partnership with FMCGs and their respective distributors, Finja offers a 30 day cash cycle to Retailers and Pharmacies with minimal KYC, soft collateral requirement and an upfront service fee.

**Business Financing:** A revolving business loan facility offered to registered corporates on Finja Business to manage their monthly cash flows in an efficient manner. Loans are offered with a soft collateral and an upfront service fee.

### ASSET UNDER MANAGEMENT (As At 30 May, 2020)

Lending Products	Volume Rs. Million
<b>Consumption Loans:</b>	
Salary / Professional Line of Credit	35
Qistay Pay (Equal Monthly Instalment)	3
	<hr/>
	37
<b>Productive Loans :</b>	
Supply Chain Lending / Working Capital	31
Business Loans	11
	<hr/>
	42
<b>Grand Total</b>	<b>79</b>

### LOAN PORTFOLIO (AUM)



- Salary / Professional Line of Credit
- Qistay Pay (Equal Monthly Instalment)
- Supply Chain Lending / Working Capital
- Business Loan

# FIRST AL-NOOR MODORABA



**Mr. Jalaluddin Ahmed**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Ismail H. Zakaria	:	Chairman
Mr. Aziz Ayooob	:	Director
Mr. Abdul Rahim Suriya	:	Independent Director
Mr. Zia Zakaria	:	Director
Mr. Zainuddin Ayooob	:	Director
Mr. Tauseef Ilyas	:	Independent Director
Mr. Jalaluddin Ahmed	:	Chief Executive

## COMPANY INFORMATION

The First Al-Noor Modaraba was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by Al Noor Modaraba Management (Private) Limited, a company incorporated in Pakistan. The address of its registered office is 96-A, Sindh Muslim Cooperative Housing Society, Karachi. The Modaraba was floated on October 19, 1992 and commenced its business on November 02, 1992.

The Modaraba is a multipurpose perpetual modaraba and is primarily engaged in ijarah financing, musharikhah, murabaha, musawamah, modaraba, equity investment, diminishing musharikhah and trading activities. The Modaraba is listed on the Pakistan Stock Exchange Limited.

## CORPORATE INFORMATION

Commenced Business on :	November 02, 1992
Head Office	: 96-A, Sindh Muslim Cooperative Housing Society, Karachi.
Tel	: (92-21) 34558268, 34552943, 34553067
Fax	: (92-21) 34553137
Email	: info@famm.co
Website	: www.famm.co
Offices at	: Karachi
Listed at	: Pakistan Stock Exchange Limited
Auditors	: RSM Awaiz Hyder Liaquat Nauman, Chartered Accountants
Legal Advisors	: Mr. Sufyan Zaman, Advocate High Court
Shari'ah Advisor	: Al-Hamd Shari'ah Advisory Services (Pvt) Limited

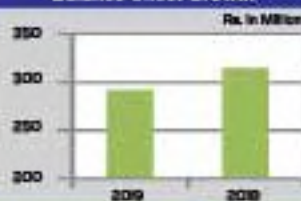
## KEY PERSON

Mr. Jalaluddin Ahmed	:	Chief Executive
Mr. Muhammad Arshad Khan Durrani	:	Chief Financial Officer
Mr. Rooft Abdul Razzak	:	Company Secretary

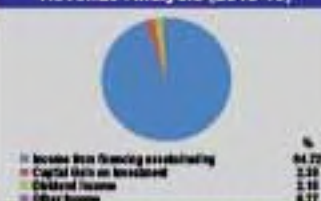
## CREDIT RATING

Short Term	-
Long Term	-

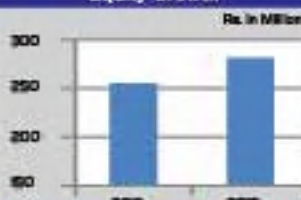
## Balance Sheet Growth



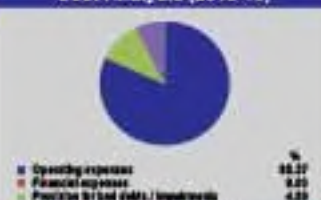
## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		210.00	210.00
Reserves & Retained Earning		42.05	57.10
<b>Total Equity</b>		<b>252.05</b>	<b>267.10</b>
Surplus on revaluation of Investments		(7.41)	(2.69)
<b>LIABILITIES</b>			
<b>Total Borrowings</b>		-	-
Deposits (CONCOD/COM)		-	-
Other Liabilities		44.32	51.97
<b>Total Liabilities</b>		<b>44.32</b>	<b>51.97</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>288.98</b>	<b>318.38</b>
<b>ASSETS</b>			
Fixed Assets		4.60	5.92
Financing Assets		120.50	160.38
Investments		43.68	60.35
Other Assets		120.18	89.72
<b>Total Assets</b>		<b>288.98</b>	<b>318.38</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		-	-
Current Ratio (x)		5.06	5.80
Break-up Value (Rs.)		12.00	12.72
Return on Equity %		(5.55)	(9.36)
Return on Assets %		(4.41)	(7.91)

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets / Trading		62.99	84.51
Capital Gain on Investment		1.57	2.82
Dividend Income		1.43	1.66
Other Income		0.51	0.28
<b>Total Income</b>		<b>66.50</b>	<b>89.27</b>
<b>EXPENSES</b>			
Operating expenses		68.83	93.48
Financial expenses		0.03	0.03
Provision for bad debts / impairments		3.95	12.50
Provision for impairment on investment		7.81	8.27
WAF		-	-
<b>Total Expenses</b>		<b>80.62</b>	<b>114.28</b>
Profit Before Tax		(14.12)	(25.01)
Taxation		-	-
<b>Net Profit</b>		<b>(14.12)</b>	<b>(25.01)</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		(0.67)	(1.19)
Dividend per Certificate (%)		-	-



# FIRST ELITE CAPITAL MODARABA



**Mr. Aamir Iftikhar Khan**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Muneeb Ahmed Dar	:	Chairman
Mr. Aamir Iftikhar Khan	:	Chief Executive
Dr. Sardar Ahmad Khan	:	Director
Mr. Ghazanfar Farrokh	:	Director
Mr. Muhammad Javed Amin	:	Director
Mrs. Rukhsana Javed Amin	:	Director
Mrs. Shahana Javed Amin	:	Director

## COMPANY INFORMATION

First Elite Capital Modaraba (the Modaraba) is a perpetual, multi-purpose and multi-dimensional non-trading modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by Crescent Modaraba Management Company Limited (the Management Company), a company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Modaraba is situated at 50-A, Garden Block, New Garden Town, Lahore. The Modaraba was floated on September 26, 1991 and is listed on Pakistan Stock Exchange Limited. The Modaraba is primarily engaged in the business of Ijarah, musharakah and murabahah financing, investment in marketable securities and other related business.

## CORPORATE INFORMATION

Commenced Business on	:	September 26, 1991
Head Office	:	50-A, Garden Block, New Garden Town, Lahore.
Tel	:	(92-42) 35442735-37
Fax	:	(92-42) 35442738
Email	:	info@fecm.com.pk
Website	:	www.fecm.com.pk
Offices at	:	Lahore
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	Naveed Zafar Ashtaq Jaffery & Co., Chartered Accountants
Legal Advisors	:	International Legal Services
Shari'ah Advisor	:	Mufl Muhammad Umar

## KEY PERSON

Mr. Aamir Iftikhar Khan	:	Chief Executive
Mr. Muhammad Arif Hillal	:	CFO & Company Secretary

## CREDIT RATING

Short Term	:	Rating Agency
Long Term	:	-

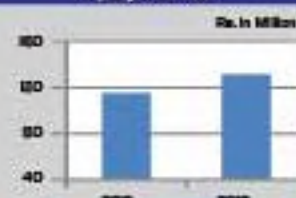
## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	113.40	113.40
Reserves & Retained Earning	(0.15)	14.55
<b>Total Equity</b>	<b>113.25</b>	<b>127.95</b>
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COC/COM/COM)	-	-
Other Liabilities	69.02	62.88
<b>Total Liabilities</b>	<b>69.02</b>	<b>62.88</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>182.27</b>	<b>190.82</b>
<b>ASSETS</b>		
Fixed Assets	27.29	28.04
Financing Assets	121.40	124.15
Investments	11.16	14.90
Other Assets	22.43	23.73
<b>Total Assets</b>	<b>182.27</b>	<b>190.82</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.61	0.49
Current Ratio (x)	2.23	3.07
Break-up Value (Rs.)	9.99	11.28
Return on Equity %	(3.62)	3.69
Return on Assets %	(2.34)	2.50

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets	41.34	44.91
Capital Gain on Investment	2.44	0.06
Dividend Income	1.17	0.88
Other Income	0.44	1.25
<b>Total Income</b>	<b>45.40</b>	<b>47.10</b>
<b>EXPENSES</b>		
Operating expenses	49.30	64.56
Financial expenses	0.01	0.02
Provision for bad debts / Impairments	-	-
Provision for impairment on Investment	(0.02)	(22.20)
WWF	-	-
<b>Total Expenses</b>	<b>49.29</b>	<b>42.38</b>
Profit Before Tax	(3.89)	4.72
Taxation	(0.48)	-
<b>Net Profit</b>	<b>(4.37)</b>	<b>4.72</b>
Dividend Payment (Rs.)	-	3.40
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	(0.39)	0.42
Dividend per Certificate (%)	-	3.00

# FIRST EQUITY MODARABA



**Mr. Adil A. Ghaffar**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Zahid Bashir	:	Director
Mr. Qaiser Magoon	:	Director
Mr. Nadeem Maqbool	:	Director
Mr. Adil A. Ghaffar	:	Chief Executive

## COMPANY INFORMATION

First Equity Modaraba (the Modaraba) was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by Premier Financial Services (Private) Limited (the Modaraba Management Company), a Company incorporated in Pakistan.

The Modaraba is a perpetual, multipurpose modaraba able to undertake a variety of fund and fee based activities. These include trading, manufacturing, equity investment and their financing and facilitation. The Modaraba is a Trading Right Entitlement Certificate holder of the Pakistan Stock Exchange Limited.

The modaraba has the following wholly owned subsidiary companies:

- Equity Textiles Limited
- Capital Financial Services (Pvt.) Limited
- Apex Financial Services (Pvt.) Limited

## CORPORATE INFORMATION

Commenced Business on	: January 1992
Head Office	: B-1034, 10th Floor, Lakson Square Building No.3, Samar Shaheed Road, Karachi
Tel	: (02-21) 36672815-8
Fax	: (02-21) 36688116
Email	: info@firstequitymodaraba.com.pk
Website	: www.firstequitymodaraba.com.pk
Offices at	: Karachi
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Baker Tilly Mehmood Idrees Qamar, Chartered Accountants
Legal Advisors	: Mohsin M. Tayebaly & Co., Advocates & Legal Consultants
Shari'ah Advisor	: Mufti Abdul Qadir

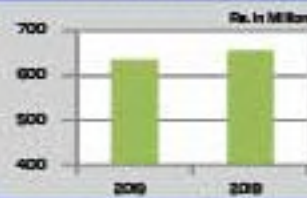
## KEY PERSON

Mr. Adil A. Ghaffar	: Chief Executive Officer
Qazi Obaid Ullah Ansari	: CFO & Company Secretary

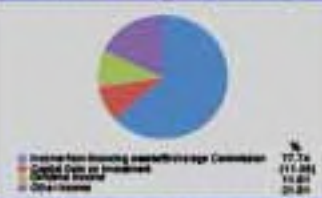
## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		524.40	524.40
Reserves & Retained Earning		69.91	89.52
<b>Total Equity</b>		<b>594.31</b>	<b>613.92</b>
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (COD/COM/COM)		-	-
Other Liabilities		42.15	45.97
<b>Total Liabilities</b>		<b>42.15</b>	<b>45.97</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>636.46</b>	<b>659.89</b>
<b>ASSETS</b>			
Fixed Assets		9.13	7.93
Financing Assets / Modaraba / Musharaka		139.58	136.67
Investments		430.93	453.89
Other Assets		56.82	61.41
<b>Total Assets</b>		<b>636.46</b>	<b>659.89</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.07	0.07
Current Ratio (x)		6.10	6.10
Break-up Value (Rs.)		11.33	11.71
Return on Equity %		(0.56)	(0.68)
Return on Assets %		(0.52)	(0.64)

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets / Brokerage Commission		15.40	16.12
Capital Gain on Investment		(2.25)	(4.43)
Dividend Income		2.34	3.05
Other Income		4.32	2.51
<b>Total Income</b>		<b>19.81</b>	<b>17.25</b>
<b>EXPENSES</b>			
Operating expenses		23.10	21.42
Financial expenses		0.01	0.02
Provision for bad debts / Impairments		-	-
Provision for Impairment on Investment		-	-
WAF		-	-
<b>Total Expenses</b>		<b>23.12</b>	<b>21.44</b>
<b>Profit Before Tax</b>		<b>(3.30)</b>	<b>(4.19)</b>
Taxation		-	-
<b>Net Profit</b>		<b>(3.30)</b>	<b>(4.19)</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		(0.06)	(0.08)
Dividend per Certificate (%)		-	-



# FIRST FIDELITY LEASING MODARABA



**Mr. Wasim-ul-Haq Osmani**  
Chief Executive Officer

## BOARD OF DIRECTORS

Siyid Tahir Nawazish	:	Chairman
Mr. Wasim-ul-Haq Osmani	:	Chief Executive
Mr. Noor-ud-Din Ahmed	:	Director
Mr. Muhammad Farooq Abid Tung	:	Director

## COMPANY INFORMATION

First Fidelity Leasing Modaraba (the Modaraba) is a perpetual, multi-purpose and multi-dimensional modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by Fidelity Capital Management (Private) Limited (the Management Company), a company incorporated in Pakistan under the repealed Companies Ordinance 1984 (now Companies Act, 2017). The registered office of the Modaraba is situated at Ground Floor 93, B-1 Canal Bank, Gulberg-II, Lahore. The Modaraba was floated on December 05, 1991 and is listed on all stock exchanges in Pakistan. The Modaraba is primarily engaged in the business of ijarah, musharakah and murabahah financing, equity investment, brokerage and other related business. The Modaraba is a member of the Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited.

## CORPORATE INFORMATION

Commenced Business on	:	December 05, 1991
Head Office	:	93, B-1, Canal Park, Gulberg-II, Lahore
Tel	:	(92-42) 35713461-64
Fax	:	(92-42) 35759122
Email	:	Info@fidelitymodaraba.com
Website	:	www.fidelitymodaraba.com
Offices at	:	Lahore
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants
Legal Advisors	:	Salim & Balg (Advocates)
Shari'ah Advisor	:	Mufti Altaf Ahmed

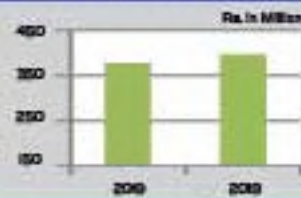
## KEY PERSON

Mr. Wasim-ul-Haq Osmani	:	Chief Executive
Mr. Ijaz Fazal	:	Company Secretary / CFO

## CREDIT RATING

Short Term	A2	Rating Agency
Long Term	BBB+	Pakistan Credit Rating Agency Ltd.

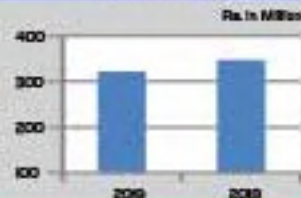
## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	254.14	254.14
Reserves & Retained Earning	76.87	92.88
<b>Total Equity</b>	<b>341.00</b>	<b>347.02</b>
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COD/COVCOM)	-	-
Other Liabilities	41.25	42.01
<b>Total Liabilities</b>	<b>41.25</b>	<b>42.01</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>382.25</b>	<b>389.03</b>
<b>ASSETS</b>		
Fixed Assets	224.39	224.48
Financing Assets	133.12	145.15
Investments	-	-
Other Assets	24.75	29.40
<b>Total Assets</b>	<b>382.26</b>	<b>399.03</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.12	0.12
Current Ratio (x)	3.94	4.05
Break-up Value (Rs.)	12.91	13.52
Return on Equity %	0.33	9.80
Return on Assets %	0.29	8.36

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets	23.73	6.73
Capital Gain on Investment	-	42.89
Dividend Income	-	0.30
Other Income	3.56	0.61
<b>Total Income</b>	<b>27.29</b>	<b>50.53</b>
<b>EXPENSES</b>		
Operating expenses	25.08	20.27
Financial expenses	0.08	0.04
Provision for bad debts / Impairments	(0.25)	(3.14)
Provision for impairment on Investment	-	-
WWF	-	-
<b>Total Expenses</b>	<b>25.91</b>	<b>17.17</b>
Profit Before Tax	1.39	33.36
Taxation	0.24	-
<b>Net Profit</b>	<b>1.15</b>	<b>33.36</b>
Dividend Payment (Rs.)	-	17.17
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.04	1.25
Dividend per Certificate (%)	-	6.50

# FIRST HABIB MODARABA



Mr. Muhammad Shoalb Ibrahim  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Wazir Mumtaz Ahmed	: Chairman (Non-Executive Director)
Mr. Muhammad Shoalb Ibrahim	: Chief Executive Officer
Syed Rasheed Akhtar	: Non-Executive Independent Director
Mr. Saeed Uddin Khan	: Non-Executive Independent Director
Mr. Mohammad Shams Izhari	: Non-Executive Director

## COMPANY INFORMATION

First Habib Modaraba (the Modaraba) is a perpetual, multi-purpose modaraba floated and managed by Habib Metropolitan Modaraba Management Company (Private) Limited (the Modaraba Management Company) having its registered office at 8th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba is engaged in the business of leasing (Ijarah), Musharaka, Murabaha financing and other related business.

## CORPORATE INFORMATION

Commenced Business on	: March 1985
Head Office	: 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi.
Tel	: (92-21) 32635949-51 UAN: 111-346-346
Fax	: (92-21) 32627373
Email	: <a href="mailto:fhm@habibmodaraba.com">fhm@habibmodaraba.com</a>
Website	: <a href="http://www.habibmodaraba.com">www.habibmodaraba.com</a>
Offices at	: Karachi, Lahore, Islamabad & Multan
Listed at	: Pakistan Stock Exchange Limited
Auditors	: EY Ford Rhodes, Chartered Accountants
Legal Advisors	: Mohsin Tayebaly & Company Ahmed & Qazi Advocates & Legal Consultants
Shariah Advisor	: Mufti Muhammad Hasan

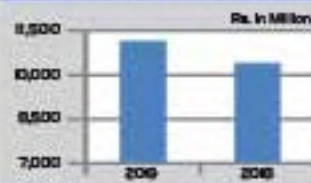
## KEY PERSON

Mr. Muhammad Shoalb Ibrahim	: Chief Executive Officer
Mr. Tehsin Abbas	: Chief Financial Officer
Mr. Amir Kaleem	: Head of Marketing
Mr. Intisar Muhammad Usmani	: Head of Credit
Mr. Zahid Hassan	: Head of LT

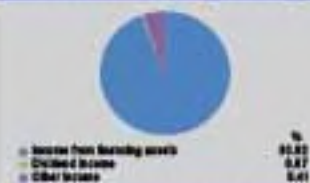
## CREDIT RATING

Short Term	A1+	Rating Agency
Long Term	AA+	Pakistan Credit Rating Agency Ltd.

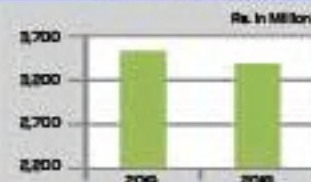
## Balance Sheet Growth



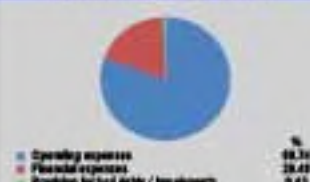
## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	1,008.00	1,008.00
Reserves & Retained Earning	2,503.72	2,434.26
Total Equity	3,511.72	3,442.26
Surplus on revaluation of Investments	124.88	117.88
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COI/COO/COM)	6,149.28	5,593.06
Other Liabilities	1,338.14	1,126.06
Total Liabilities	7,487.42	6,719.12
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>11,124.02</b>	<b>10,278.28</b>
<b>ASSETS</b>		
Fixed Assets	43.95	30.14
Financing Assets	9,679.28	8,498.76
Investments	1,117.35	1,258.86
Other Assets	283.44	491.50
Total Assets	11,124.02	10,278.28
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	1.69	1.51
Current Ratio (x)	0.54	0.63
Break-up Value (Rs.)	17.42	17.07
Return on Equity %	9.10	8.43
Return on Assets %	2.87	2.82

## PROFIT & LOSS

PROFIT & LOSS	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets	2,031.83	1,572.73
Capital Gain on Investment	-	13.57
Dividend Income	14.46	14.25
Other Income	116.97	97.74
Total Income	2,183.26	1,698.29
<b>EXPENSES</b>		
Operating expenses	1,285.75	1,137.66
Financial expenses	543.47	264.30
Provision for bad debts / Impairments	7.84	-
Provision for impairment on investment	-	0.86
WFF	6.52	5.91
Total Expenses	1,843.58	1,408.73
Profit Before Tax	319.69	289.56
Taxation	-	-
Net Profit	319.69	289.56
Dividend Payment (Rs.)	282.24	252.00
<b>SIGNIFICANT RATIOS</b>		
*Earning per Certificate (Rs.)	1.59	1.44
*Dividend per Certificate (%)	28.00	25.00
*Face Value of Rs.5/- each		



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Year Book 2019

## FIRST IBL MODARABA



**Mr. Shiraz Butt**  
Chief Executive

### BOARD OF DIRECTORS

Mr. Arslan Khan Khakwani	: Chairman/Director
Mr. Ibrahim Hassan Murad	: Director
Mr. Naveed Amin	: Director
Mr. Shiraz Butt	: Director/Chief Executive Officer

### COMPANY INFORMATION

First IBL Modaraba ("the Modaraba") is a multi purpose, perpetual and dimensional Modaraba formed under the Modaraba Companies & Modaraba (Floatation & Control) Ordinance, 1980 and rules framed thereunder, having its registered office # 514, Al-Hafeez Business Center, 89-B-III, Gulberg-III, Lahore. The Modaraba is managed by IBL Modaraba Management (Pvt.) Limited (Modaraba Management Company) Incorporated in Pakistan under the Companies Act, 2017 and registered with the Registrar of Modaraba Companies.

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

### CORPORATE INFORMATION

Commenced Business on :	October 19, 1989
Principal Office :	514, 5th Floor, Al-Hafeez Business Center, 89-B-III, Gulberg-III, Lahore.
Tel :	(92-42) 35757734-35
Fax :	(92-42) 35757736
Email :	ibi@firstibl.com
Website :	www.firstibl.com
Offices at :	Lahore
Listed at :	Pakistan Stock Exchange Limited
Auditors :	RSM Avais Hayder Liaquat Nauman & Co., Chartered Accountants
Legal Advisors :	Holcoff International [Legal Services]
Shari'ah Advisor :	Dr. Salman Ahmed Khan

### KEY PERSON

Mr. Shiraz Butt	: Chief Executive Officer
Mr. Haasan Fareed	: Company Secretary
Mr. Zeeshan Ahmed	: Chief Financial Officer
Mr. Haanain Shafiqat	: Internal Auditor

### CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-



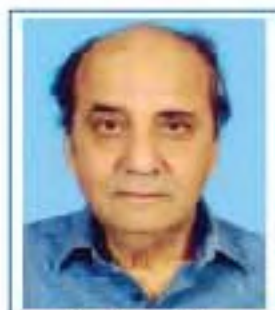
### PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		216.88	216.88
Reserves & Retained Earning		(25.91)	(27.60)
<b>Total Equity</b>		<b>180.87</b>	<b>188.28</b>
<b>LIABILITIES</b>			
Total Borrowings		0.70	0.70
Deposits (COD/COD/COM)		-	-
Other Liabilities		38.07	34.24
<b>Total Liabilities</b>		<b>38.77</b>	<b>34.94</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>229.73</b>	<b>224.22</b>
<b>ASSETS</b>			
Fixed Assets		3.35	2.85
Financing Assets		107.71	107.57
Investments		2.55	5.93
Other Assets		116.12	107.87
<b>Total Assets</b>		<b>229.73</b>	<b>224.22</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.20	0.01
Current Ratio (x)		3.47	4.22
Break-up Value (Rs.)		8.81	8.73
Return on Equity %		2.46	0.02
Return on Assets %		2.04	0.01

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets		18.03	27.00
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		18.64	8.68
<b>Total Income</b>		<b>38.87</b>	<b>36.88</b>
<b>EXPENSES</b>			
Operating expenses		31.96	35.64
Financial expenses		-	-
Provision for bad debts / impairments		-	-
Provision for impairment on investment		-	-
WAF		-	-
<b>Total Expenses</b>		<b>31.96</b>	<b>35.64</b>
<b>Profit Before Tax</b>		<b>4.71</b>	<b>0.04</b>
Taxation		-	-
<b>Net Profit</b>		<b>4.71</b>	<b>0.04</b>
Dividend Payment (Rs.)		3.47	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		0.217	0.002
Dividend per Certificate (%)		1.60	-



# FIRST IMROOZ MODARABA



**Mr. Naveed Riaz**  
Chief Executive

## BOARD OF DIRECTORS

Mr. Naveed Riaz	: Chief Executive
Mrs. Saadat Ikram	: Director
Mr. Ameer Riaz	: Director
Mr. Omar Mohammad Khan	: Director

## MODARABA INFORMATION

First Imrooz Modaraba was formed on 27 September 1993 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1990 and the Rules framed thereunder and is managed by A R Management Services (Pvt.) Limited. The Modaraba issued its certificate capital to the general public on February 01, 1994 and commenced operations from March 01, 1994, the date on which the minimum subscription certificate was issued by the Registrar Modaraba. It is a multi purpose, perpetual Modaraba and is mainly engaged in domestic and international trading activities.

## CORPORATE INFORMATION

Commenced Business on	: March 01, 1994
Head Office	: 405, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi.
Tel	: (92-21) 35222743-5
Fax	: (92-21) 35222668
Email	: enquiries@imrooz.com
Website	: www.firstimrooz.com
Offices at	: Karachi & Lahore
Listed at	: Pakistan Stock Exchange
Auditors	: M/s. Deloitte Yousuf Adil, Chartered Accountants
Legal Advisors	: Mr. Adif Awan, Advocate
Shariah Advisor	: Mufti Abdul Qadir

## KEY PERSON

Mr. Naveed Riaz	: Chief Executive
Mr. Ameer Riaz	: Director
Mr. Ateed Riaz	: Chief Financial Officer
Mr. Shabbir Ahmed Jamsa	: Company Secretary
Mr. Amjad Khalid	: G.M. Imports
Mr. Khalid Hameed	: G.M. Sales & Marketing
Mr. Abbas Kerani	: Chief Internal Auditor
Mr. Sheheryar Ali	: Controller Accounts

## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

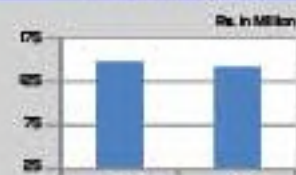
## Balance Sheet Growth



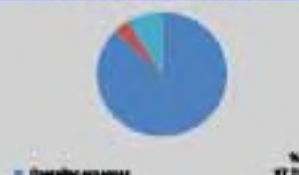
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	30.00	30.00
Reserves & Retained Earning	109.18	104.88
<b>Total Equity</b>	<b>139.18</b>	<b>134.88</b>
<b>LIABILITIES</b>		
Total Borrowings	74.64	155.23
Deposits (CDD/COV/COM)	-	-
Other Liabilities	127.43	125.00
<b>Total Liabilities</b>	<b>202.07</b>	<b>280.23</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>341.23</b>	<b>416.09</b>
<b>ASSETS</b>		
Fixed Assets	9.63	12.48
Financing Assets / Stock in Trade	212.68	265.57
Investments	-	-
Other Assets	118.92	137.04
<b>Total Assets</b>	<b>341.23</b>	<b>416.09</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	1.45	3.08
Current Ratio (x)	1.93	1.58
Break-up Value (Rs.)	46.39	44.95
Return on Equity %	18.19	22.65
Return on Assets %	7.42	7.36

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Trading	132.78	143.94
Capital Gain on Investment	-	-
Dividend Income	-	-
Other Income	1.54	0.51
<b>Total Income</b>	<b>134.32</b>	<b>144.45</b>
<b>EXPENSES</b>		
Operating expenses	66.45	62.52
Financial expenses	8.10	2.56
Provision for bad debts / Impairments	-	-
Provision for impairment on Investment	-	-
SWF	1.20	6.25
<b>Total Expenses</b>	<b>76.76</b>	<b>71.34</b>
<b>Profit Before Tax</b>	<b>58.57</b>	<b>73.10</b>
Taxation	33.25	42.55
<b>Net Profit</b>	<b>26.81</b>	<b>30.66</b>
Dividend Payment (Rs.)	15.00	17.00
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	8.44	10.18
Dividend per Certificate (%)	50.00	56.67



# FIRST NATIONAL BANK MODARABA



**Mr. Abbas Azam**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Muhammad Imran Malik	: Chairman
Mr. Rehmat Ali Hasnle	: Director
Syed Jamal Baqar	: Director
Khawaja Waheed Raza	: Director
Mr. Jamal Nasim	: Director
Mr. Muhammad Iqbal Hussain	: Director
Mr. Abbas Azam	: Chief Executive Officer

## COMPANY INFORMATION

First National Bank Modaraba ("the Modaraba") is a multi-purpose, perpetual and multi-dimensional Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and Rules framed thereunder. The Modaraba is managed by National Bank Modaraba Management Company Limited (a wholly owned subsidiary of National Bank of Pakistan), incorporated in Pakistan under the Companies Ordinance, 1984 and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at Ground Floor, National Bank of Pakistan, Regional Headquarters Building, 26-McLagan Road, Lahore.

## CORPORATE INFORMATION

Commenced Business on	: December 03, 2003
Head Office	: Ground Floor, NBP RHQs Building, 26-McLagan Road, Lahore.
Tel	: (92-42) 99211200
Fax	: (92-42) 99213247
Email	: info@nbmodaraba.com
Website	: www.nbmodaraba.com
Offices at	: Lahore
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Horwath Hussain Chaudhury & Co., Chartered Accountants
Legal Advisors	: Cornelius Lane & Mufti, Advocates and Solicitors
Shariah Advisor	: Mufti Ehsan Waqar Ahmed

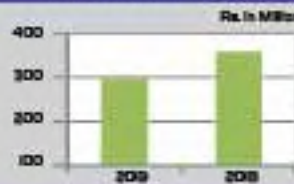
## KEY PERSON

Mr. Abbas Azam	: Chief Executive Officer
Ms. Farah Aslam	: CFO / Company Secretary
Mr. Nusrat ur Rasheed	: Marketing & Recovery Head
Miss Nadia Jaleel	: Chief Risk & Restructuring Officer

## CREDIT RATING

Short Term	NA	Rating Agency
Long Term	NA	N/A

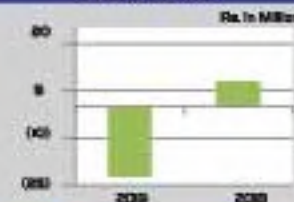
## Balance Sheet Growth



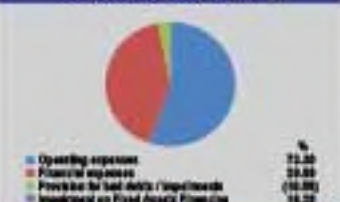
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		250.00	250.00
Reserves & Retained Earning		(272.11)	(241.86)
<b>Total Equity</b>		<b>(22.11)</b>	<b>8.14</b>
<b>LIABILITIES</b>			
Total Borrowings		217.06	217.06
Deposits (COC/COM/COM)		-	-
Other Liabilities		108.11	130.85
<b>Total Liabilities</b>		<b>325.18</b>	<b>347.92</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>303.07</b>	<b>356.07</b>
<b>ASSETS</b>			
Fixed Assets		0.04	0.05
Financing Assets		140.58	193.89
Investments		-	-
Other Assets		162.45	162.13
<b>Total Assets</b>		<b>303.07</b>	<b>356.07</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		(14.71)	42.72
Current Ratio (x)		0.66	0.64
Break-up Value (Rs.)		(0.88)	0.33
Return on Equity %		(162.00)	(101.00)
Return on Assets %		(11.78)	(2.30)

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets		10.22	64.09
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		8.04	3.88
<b>Total Income</b>		<b>18.26</b>	<b>67.97</b>
<b>EXPENSES</b>			
Operating expenses		29.93	55.83
Financial expenses		22.43	15.99
Provision for bad debts / Impairments		1.62	(8.06)
Provision for Impairment on Investment		-	12.40
WWF		-	-
<b>Total Expenses</b>		<b>53.98</b>	<b>76.16</b>
Profit Before Tax		(35.72)	(8.19)
Taxation		-	-
<b>Net Profit</b>		<b>(35.72)</b>	<b>(8.19)</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		(1.43)	(0.33)
Dividend per Certificate (%)		-	-

# FIRST PAK MODARABA



Mr. Karim Hatim  
Chief Executive

## BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	:	Chairman
Mr. Shahid Ghaffar	:	Director
Ms. Ayesha Aziz	:	Director
Mr. Abdul Jaleel Shaikh	:	Director
Mr. Ahmed Ateeq	:	Director
Mr. Karim Hatim	:	Chief Executive

## COMPANY INFORMATION

First Pak Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder. The Modaraba is currently engaged in various modes of Islamic mode of financing and businesses which include Ijarah financing, deployment of fund in Musharaka, Murabaha. The Modaraba was previously managed by KASB Invest (Pvt) Limited.

The Registrar Modarabas, with the approval of the Securities & Exchange Commission of Pakistan, vide order dated January 31, 2020 appointed Awwal Modaraba Management Limited (AMML) to take over and manage the affair of the Modaraba. AMML has taken over the management and administrative control of First Pak Modaraba effective from February 03, 2020.

## CORPORATE INFORMATION

Commenced Business on	:	October 22, 1989
Head Office	:	Office #8, 5th Floor, Lakson Square Building # 1, Sawar Shaheed Road, Karachi.
Tel	:	(92-21) 35630621-23-25-26
Email	:	info@firstpakistanmodaraba.com
Website	:	www.firstpakistanmodaraba.com
Offices at	:	Karachi, Lahore & Islamabad
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	Crowe Hussain Chaudhry & Co, Chartered Accountants
Legal Advisors	:	Ahmed & Qazi Advocates S & B Durani Law Associates
Shariah Advisor	:	Al-Hamd Shariah Advisory Services (Pvt) Limited

## KEY PERSON

Mr. Karim Hatim	:	Chief Executive Officer
Mr. Aftab Afroz Mehmoodi	:	Chief Financial Officer
Ms. Iqra Sajjad	:	Company Secretary
Mr. Rashid Bashir	:	Head of Legal
Mr. Mazhar Mujtaba	:	Head of Accounts

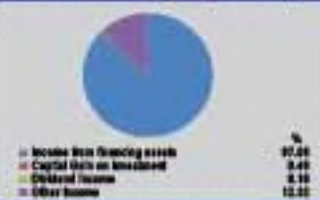
## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

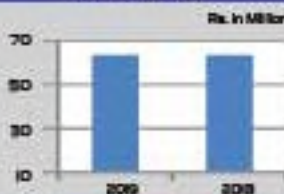
## Balance Sheet Growth



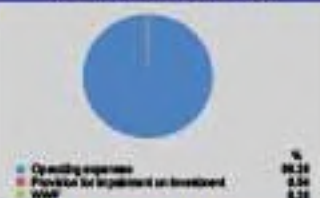
## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	125.40	125.40
Reserves & Retained Earning	(59.20)	(62.84)
<b>Total Equity</b>	<b>66.20</b>	<b>62.56</b>
Surplus on revaluation of Investments	(4.88)	-
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COF/COD/COM)	-	-
Other Liabilities	11.32	12.91
<b>Total Liabilities</b>	<b>11.32</b>	<b>12.91</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>77.52</b>	<b>75.47</b>
<b>ASSETS</b>		
Fixed Assets	0.27	0.60
Financing Assets	47.05	52.28
Investments	0.04	1.27
Other Assets	25.28	21.33
<b>Total Assets</b>	<b>72.64</b>	<b>75.48</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.17	0.21
Current Ratio (x)	5.06	6.02
Break-up Value (Rs.)	4.88	4.99
Return on Equity %	0.08	3.54
Return on Assets %	0.69	2.93

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets	11.71	9.36
Capital Gain on Investment	0.05	-
Dividend Income	0.02	-
Other Income	1.66	0.95
<b>Total Income</b>	<b>13.44</b>	<b>10.31</b>
<b>EXPENSES</b>		
Operating expenses	12.14	7.93
Financial expenses	-	-
Provision for bad debts / impairments	-	-
Provision for impairment on investment	0.07	0.12
WAF	0.02	0.04
<b>Total Expenses</b>	<b>12.23</b>	<b>8.10</b>
Profit Before Tax	1.21	2.21
Taxation	0.70	-
<b>Net Profit</b>	<b>0.51</b>	<b>2.21</b>
Dividend Payment (Rs.)	-	1.75
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.04	0.18
Dividend per Certificate (%)	-	1.40



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Association of Pakistan

Year Book 2019

# FIRST PARAMOUNT MODARABA



**Syed Wajih Hassan**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Tanveer Ahmed Magoon	:	Chairman
Syed Wajih Hassan	:	Chief Executive Officer
Mr. Nadeem Iqbal	:	Director
Pir Muhammad Kallia	:	Director
Mr. Abdul Razzak Jandga	:	Director
Mr. Habib Ahmed Navald	:	Director
Mr. Humayun Mazhar Gureshi	:	Independent Director
Mr. Khalid Rehman	:	Independent Director

## COMPANY INFORMATION

First Paramount Modaraba (the Modaraba) is a multipurpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed there under. The Modaraba is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan. The Modaraba is listed on Pakistan Stock Exchange. Registered office of the Modaraba is situated at Karachi. Modaraba's principal activities include deployment of funds on murabaha and musharaka arrangements and its in-house ventures are (A) Supply of drilling Mud and Fluids to Oil and Gas Services Companies, under the name of "FPM Petro Services (B) Data center, IT and Electrical maintenance and troubleshooting services" business under the name of "FPM Solutions".

## CORPORATE INFORMATION

Commenced Business on	:	January 19, 1995
Head Office	:	Suit# 107, 108, 1st Floor, P.E.C.H.S., Community Office Complex, Block-2, PECHS, Shahrah-e-Quaiden, Karachi.
Tel	:	(92-21) 34381037-38-52
Fax	:	(92-21) 34534410
Email	:	Info@fpm.com.pk
Website	:	www.fpm.com.pk
Offices at	:	Karachi
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	Deloitte Yousuf Adil, Chartered Accountants
Legal Advisors	:	Raja Qasim Nawaz, Advocates
Shariah Advisor	:	Muft Muhammad Fathan Farooq

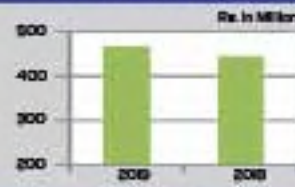
## KEY PERSON

Syed Wajih Hassan	:	Chief Executive Officer
Mr. Ammad Jamal	:	Chief Financial Officer & Company Secretary

## CREDIT RATING

Short Term	A-3	Rating Agency
Long Term	BBB	VIS Credit Rating Company Ltd.

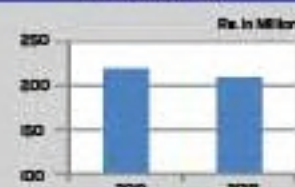
## Balance Sheet Growth



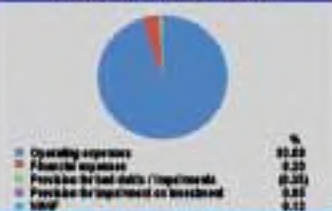
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	137.88	137.88
Reserves & Retained Earning	77.69	75.26
<b>Total Equity</b>	<b>215.57</b>	<b>213.14</b>
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COD/COD/COM)	172.26	168.87
Other Liabilities	75.11	62.21
<b>Total Liabilities</b>	<b>251.37</b>	<b>231.08</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>466.94</b>	<b>444.22</b>
<b>ASSETS</b>		
Fixed Assets	18.75	24.79
Financing Assets	250.48	232.00
Investments	-	-
Other Assets	197.71	187.43
<b>Total Assets</b>	<b>466.94</b>	<b>444.22</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	1.17	1.08
Current Ratio (x)	2.76	3.07
Break-up Value (Rs.)	15.63	15.46
Return on Equity %	5.61	5.10
Return on Assets %	2.59	2.45

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Financing Assets	219.16	257.14
Capital Gain on Investment	-	-
Profit on Bank Deposit	0.85	0.47
Other Income	0.12	0.34
<b>Total Income</b>	<b>220.13</b>	<b>257.95</b>
<b>EXPENSES</b>		
Operating expenses	193.64	234.61
Financial expenses	12.91	10.39
Provision for bad debts / Impairments	(0.73)	1.30
Provision for Impairment on Investment	1.98	-
WWF	0.25	0.60
<b>Total Expenses</b>	<b>208.04</b>	<b>246.89</b>
<b>Profit Before Tax</b>	<b>12.09</b>	<b>11.06</b>
Taxation	-	0.20
<b>Net Profit</b>	<b>12.09</b>	<b>10.86</b>
Dividend Payment (Rs.)	13.75	9.65
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.88	0.79
Dividend per Certificate (%)	10.00	7.00

# FIRST PRUDENTIAL MODARABA



**Mr. Karim Hafim**  
Chief Executive

## BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	:	Chairman
Mr. Shahid Ghaffar	:	Director
Ms. Ayesha Aziz	:	Director
Mr. Abdul Jaleel Shaikh	:	Director
Mr. Ahmed Ateeq	:	Director
Mr. Karim Hafim	:	Chief Executive

## COMPANY INFORMATION

First Prudential Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder. The Modaraba is currently engaged in various modes of Islamic mode of financing and businesses which include Ijarah financing, deployment of fund in Musharaka, Murabaha. The Modaraba was previously managed by KASB Invest (Pvt) Limited.

The Registrar Modarabas, with the approval of the Securities & Exchange Commission of Pakistan, vide order dated January 31, 2020 appointed Awwal Modaraba Management Limited (AMML) to take over and manage the affair of the Modaraba. AMML has taken over the management and administrative control of First Prudential Modaraba effective from February 03, 2020.

## CORPORATE INFORMATION

Commenced Business on	: December 04, 1989
Head Office	: Office # B, 5th Floor, Lakson Square Building # 1, Sawar Shaheed Road, Karachi. (92-21) 35830621-23-25-28
Tel	: (92-21) 35830621-23-25-28
Email	: info@firstprudentialmodaraba.com
Website	: www.firstprudentialmodaraba.com
Offices at	: Karachi, Lahore and Islamabad
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Crowe Hussain Chaudhury & Co., Chartered Accountants
Legal Advisors	: Ahmed & Qazi Advocates S&B Durani Law Associates
Shari'ah Advisor	: Al-Hamd Shariah Advisory Services (Pvt) Limited

## KEY PERSON

Mr. Karim Hafim	:	Chief Executive Officer
Mr. Aftab Afroz Mehmoodi	:	Chief Financial Officer
Ms. Iqra Sajjad	:	Company Secretary
Mr. Rashid Bashir	:	Head of Legal
Mr. Mazhar Mujtaba	:	Head of Accounts

## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

## Balance Sheet Growth



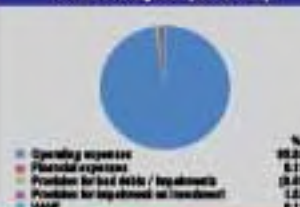
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		872.18	872.18
Reserves & Retained Earning		(446.20)	(449.11)
<b>Total Equity</b>		<b>425.97</b>	<b>423.07</b>
Surplus on revaluation of Investments		(2.42)	(1.87)
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (COD/COM/COM)		-	-
Other Liabilities		69.85	73.51
<b>Total Liabilities</b>		<b>69.85</b>	<b>73.51</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>493.40</b>	<b>494.70</b>
<b>ASSETS</b>			
Fixed Assets		4.72	8.14
Financing Assets		266.52	319.83
Investments		15.08	24.27
Other Assets		207.08	142.46
<b>Total Assets</b>		<b>493.40</b>	<b>494.70</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.16	0.17
Current Ratio (x)		5.00	4.07
Break-up Value (Rs.)		4.88	4.83
Return on Equity %		0.55	(4.62)
Return on Assets %		0.47	(3.95)

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Financing Assets		61.32	51.26
Capital Gain on Investment		0.25	-
Dividend Income		0.28	0.65
Other Income		8.68	8.07
<b>Total Income</b>		<b>70.53</b>	<b>60.98</b>
<b>EXPENSES</b>			
Operating expenses		65.83	51.64
Financial expenses		0.12	0.07
Provision for bad debts / Impairments		(0.45)	25.75
Provision for impairment on Investment		1.05	2.09
WAF		0.08	-
<b>Total Expenses</b>		<b>68.84</b>	<b>79.55</b>
Profit Before Tax		3.50	(19.56)
Taxation		1.58	-
<b>Net Profit</b>		<b>2.32</b>	<b>(19.58)</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		0.03	(0.22)
Dividend per Certificate (%)		-	-



# FIRST PUNJAB MODARABA



**Mr. Aamir Malik**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Khalid Siddiq Tirmizey	.....	Chairman
Mr. Aamir Malik	.....	Chief Executive
Mr. Nadeem Amir	.....	Director
Mr. Ijaz ur Rehman Qureshi	.....	Director
Mr. Mahboob-ul-Haasan	.....	Director
Mr. Umar Iqbal Sheikh	.....	Director
Mr. Imran Bashir	.....	Director

## COMPANY INFORMATION

First Punjab Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 and rules framed there under and is managed by Punjab Modaraba Services (Private) Limited (wholly owned subsidiary of The Bank of Punjab), a company incorporated in Pakistan. The registered office of the Modaraba is situated at National Tower Office # 100, 3rd Floor, 28-Egerton, Lahore. The Modaraba commenced its operations from 23 December 1992. The Modaraba is listed on Pakistan Stock Exchange Limited.

The Modaraba is a perpetual and multi-dimensional Modaraba and is primarily engaged in the business of Ijarah, Musharika and Morabaha financing, equity investment and other related businesses in accordance with the injunctions of Islam.

## CORPORATE INFORMATION

Commenced Business on	: December 23, 1992
Head Office	: Office # 100, 3rd Floor, National Tower, 28-Egerton Road, Lahore.
Tel	: (92-42) 36365191-93
Fax	: (92-42) 36365193
Email	: info@punjabmodaraba.com.pk
Website	: www.punjabmodaraba.com.pk
Offices at	: Lahore
Listed at	: Pakistan Stock Exchange Limited
Auditors	: EY Ford Rhodes, Chartered Accountants
Legal Advisor	: Muhammad Aqeel Malik
Shariah Advisor	: Mufti Muhammad Umar

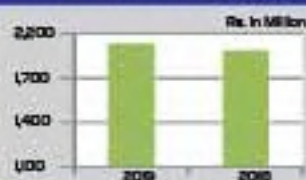
## KEY PERSON

Mr. Aamir Malik	: Chief Executive Officer
Mr. Mudassar Kaiser Pal	: Chief Financial Officer & Company Secretary

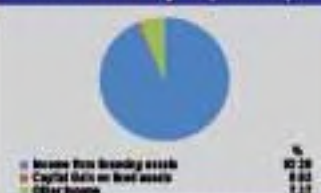
## CREDIT RATING

Short Term	A2	Rating Agency
Long Term	A-	Pakistan Credit Rating Agency Limited

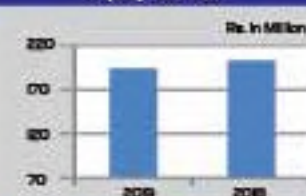
## Balance Sheet Growth



## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	340.20	340.20
Reserves & Retained Earning	(147.53)	(136.81)
<b>Total Equity</b>	<b>192.67</b>	<b>203.39</b>
<b>LIABILITIES</b>		
Total Borrowings	1,223.62	1,193.50
Deposits (COD/COD/COM)	445.52	400.00
Other Liabilities	267.85	195.97
<b>Total Liabilities</b>	<b>1,936.99</b>	<b>1,789.47</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,129.66</b>	<b>1,992.86</b>
<b>ASSETS</b>		
Fixed Assets	3.34	2.49
Financing Assets	1,529.72	1,397.88
Investments	76.50	76.50
Other Assets	520.04	515.99
<b>Total Assets</b>	<b>2,129.60</b>	<b>1,992.86</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	9.32	8.24
Current Ratio (x)	1.86	2.03
Break-up Value (Rs.)	5.66	5.97
Return on Equity %	3.23	14.13
Return on Assets %	0.30	1.48

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Financing Assets	230.35	164.54
Gain on disposal of assets	1.57	1.66
Dividend Income	-	-
Other Income	17.90	10.75
<b>Total Income</b>	<b>249.82</b>	<b>176.95</b>
<b>EXPENSES</b>		
Operating expenses	102.27	75.97
Financial expenses	150.42	93.50
Provision for bad debts / Impairments	(9.56)	(20.23)
Provision for Impairment on Investment	-	-
WAF	-	-
<b>Total Expenses</b>	<b>243.13</b>	<b>149.24</b>
Profit Before Tax	6.69	27.71
Taxation	0.46	(1.04)
<b>Net Profit</b>	<b>6.23</b>	<b>28.76</b>
Dividend Payment (Rs.)	-	17.01
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.18	0.85
Dividend per Certificate (%)	-	5.00

# FIRST TREET MANUFACTURING MODARABA



**Syed Shahid Ali**  
Chief Executive Officer

## BOARD OF DIRECTORS

Dr. Mrs. Niloufer Qasim Mahdi	: Chairperson/Non-Executive Director
Syed Shahid Ali	: Chief Executive Officer
Syed Sheharyar Ali	: Non-Executive Director
Mr. Imran Azim	: Non-Executive Director
Mr. Munir Karim Bana	: Non-Executive Director
Mr. Saulat Said	: Non-Executive Director
Mr. Muhammad Shafique Anjum	: Non-Executive Director
Dr. Salman Faridi	: Independent Director

## COMPANY INFORMATION

First Treet Manufacturing Modaraba ("the Modaraba" is multipurpose, perpetual and multi-dimensional Modaraba formed on July 27, 2005 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and rules framed there-under and is managed by Treet Holdings Limited (a wholly owned subsidiary of Treet Corporation Limited), incorporated in Pakistan under the (repealed) Companies Ordinance, 1984 and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at 72-B, Kot Lakhpat, Industrial Area, Lahore. The Modaraba is engaged in the manufacture and sale of corrugated boxes, soaps and batteries.

## CORPORATE INFORMATION

Commenced Business on	: July 27, 2005
Head Office	: 72-B, Industrial Area, Kot Lakhpat, Lahore.
Tel	: (92-42) 35830881, 35156567, 35122296
Fax	: (92-42) 35114127, 35215825
Email	: info@treetonline.com
Website	: www.ftmm.com.pk
Offices at	: Lahore
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Kreston Hyder Bhimji & Co., Chartered Accountants
Legal Advisors	: Salim & Baig Advocates
Shariah Advisor	: Mufti Muhammad Javed Hassan

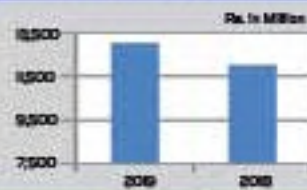
## KEY PERSON

Syed Shahid Ali	: Chief Executive Officer
Mr. Muhammad Zubair	: Chief Accountants Modaraba Company
Mr. Sajjad Haider Khan	: Chief Accountants Modaraba
Rana Shakeel Shaukat	: Company Secretary

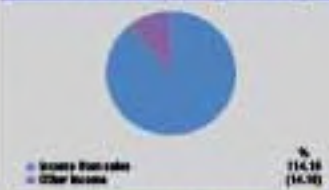
## CREDIT RATING

Short Term	Rating Agency
Long Term	

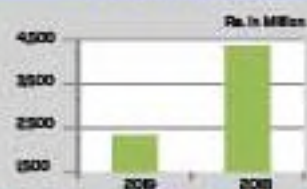
## Balance Sheet Growth



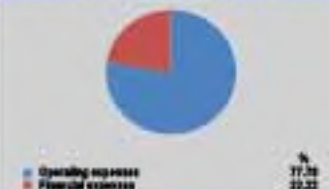
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		1,956.00	1,956.00
Reserves & Retained Earning		86.84	2,112.59
<b>Total Equity</b>		<b>2,042.84</b>	<b>4,068.68</b>
<b>LIABILITIES</b>			
Total Borrowings		10,387.25	7,742.53
Deposits (COD/COVCOM)		-	-
Other Liabilities		745.60	408.25
<b>Total Liabilities</b>		<b>11,132.85</b>	<b>8,150.77</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>13,175.69</b>	<b>12,219.37</b>
<b>ASSETS</b>			
Fixed Assets		8,682.89	8,436.60
Financing Assets / Stores & Spares, Stock-in-trade		1,951.40	1,336.44
Investments		-	-
Other Assets		2,541.41	2,446.32
<b>Total Assets</b>		<b>13,175.69</b>	<b>12,219.37</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		5.45	2.00
Current Ratio (x)		0.40	0.46
Break-up Value (Rs.)		10.44	20.80
Return on Equity %		(117.08)	(8.78)
Return on Assets %		-	-

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Sales		(952.44)	49.41
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		118.11	16.72
<b>Total Income</b>		<b>(834.34)</b>	<b>66.13</b>
<b>EXPENSES</b>			
Operating expenses		1,211.43	342.82
Financial expenses		346.02	80.43
Provision for bad debts / Impairments		-	-
Provision for impairment on Investment		-	-
WWF		-	-
<b>Total Expenses</b>		<b>1,557.45</b>	<b>423.25</b>
<b>Profit Before Tax</b>		<b>(2,391.79)</b>	<b>(357.12)</b>
Taxation		-	-
<b>Net Profit</b>		<b>(2,391.79)</b>	<b>(857.12)</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		(12.23)	(1.83)
Dividend per Certificate (%)		-	-



# FIRST UDL MODARABA



**Mr. Shuja Malik**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Majid Hasan	:	Chairman (Non-Executive Director)
Mr. Shuja Malik	:	Chief Executive Officer
Ms. Farah Qureshi	:	Non-Executive Director
Mr. Abdul Rahim Suriya	:	Non-Executive Director

## COMPANY INFORMATION

First UDL Modaraba (the Modaraba) was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under, having its registered office at 1st Floor, Business Enclave, 77-C, 12th Commercial Street, Off: Khayaban-e-Ittehad, Phase-II (Ext.), DHA, Karachi and is managed by UDL Modaraba Management (Private) Limited, a company incorporated in Pakistan. It is a perpetual, multipurpose and multidimensional Modaraba engaged in providing finance under Murabaha and Musharaka arrangements, Ijarah, commodity trading and trading in listed and non-interest bearing securities. The Modaraba is listed on Pakistan Stock Exchange Limited.

## CORPORATE INFORMATION

Commenced Business on :	May 1991
Head Office	: 1st Floor, Business Enclave, 77-C, 12th Commercial Street, Off: Khayaban-e-Ittehad, Phase-II (Ex.), DHA, Karachi
Tel	: (92-21) 35310561-5
Fax	: (92-21) 35310566
Email	: info@udl.com.pk
Website	: www.udl.com.pk
Offices at	: Karachi
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Munif Zaidin & Co., Chartered Accountants
Legal Advisors	: Mohsin Tayebaty & Co.
Shariah Advisor	: Mufti Abdul Qadir

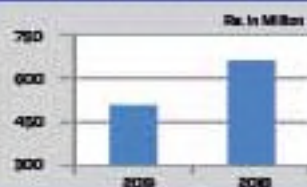
## KEY PERSON

Mr. Shuja Malik	:	Chief Executive Officer
Syed Aamir Hussain	:	Company Secretary & CFO

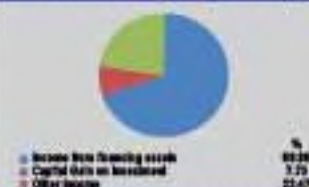
## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

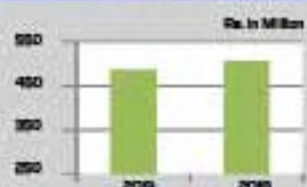
## Balance Sheet Growth



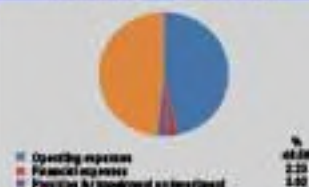
## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		290.25	263.87
Reserves & Retained Earning		174.26	253.52
<b>Total Equity</b>		<b>464.51</b>	<b>517.39</b>
Surplus on revaluation of investments		(24.43)	70.81
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (COD/COM/COM)		-	-
Other Liabilities		53.48	108.24
<b>Total Liabilities</b>		<b>53.48</b>	<b>108.24</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>489.58</b>	<b>698.44</b>
<b>ASSETS</b>			
Fixed Assets		125.39	248.29
Financing Assets		62.84	52.56
Investments		175.34	242.33
Other Assets		129.99	152.26
<b>Total Assets</b>		<b>489.58</b>	<b>698.44</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.12	0.21
Current Ratio (x)		1.88	2.11
Break-up Value (Rs.)		16.00	19.66
Return on Equity %		(11.64)	(1.40)
Return on Assets %		(11.00)	(1.00)

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets		39.92	75.82
Capital Gain on Investment		4.42	47.84
Other Income		12.85	1.47
<b>Total Income</b>		<b>57.19</b>	<b>126.13</b>
<b>EXPENSES</b>			
Operating expenses		51.67	72.09
Financial expenses		2.47	2.65
Provision for bad debts / Impairments		-	-
Provision for impairment on investment		3.35	2.62
WAF		-	-
Loss after tax from discontinued operation		53.41	54.25
<b>Total Expenses</b>		<b>110.90</b>	<b>131.61</b>
<b>Profit Before Tax</b>		<b>(53.71)</b>	<b>(6.48)</b>
Taxation		0.38	0.76
<b>Net Profit</b>		<b>(54.08)</b>	<b>(7.28)</b>
Dividend Payment (Rs.)		29.03	26.39
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		(1.86)	(0.25)
Dividend per Certificate (%) <sup>1</sup>		10.00	10.00



# GRAYS LEASING LIMITED



**Mr. Muhammad Tahir Butt**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Khawar Anwar Khawaja	:	Chairman
Mr. Muhammad Tahir Butt	:	Chief Executive
Mr. Khurram Anwar Khawaja	:	Director
Mr. Iftikhar Ahmad Butt	:	Director
Mr. Omer Khawar Khawaja	:	Director
Mr. Abdul Qayum Malik	:	Director
Mr. Muhammad Khalid Butt	:	Director

## COMPANY INFORMATION

Grays Leasing Limited ("the company") is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 on 31 August 1985. The company's shares are listed on Pakistan Stock Exchange Limited. The company is engaged in leasing business. It has been classified as a Non-Banking Finance Company (NBFC). Its registered office is situated at 701-A, 7th Floor, City Towers, 6-K, Main Boulevard, Gulberg-II, Lahore.

## CORPORATE INFORMATION

Commenced Business on	:	August 31, 1995
Head Office	:	701-A, 7th Floor, City Towers, 6-K, Main Boulevard, Gulberg-II, Lahore
Tel	:	(92-42) 35770381-2
Fax	:	(92-42) 35770389
Email	:	info@graysleasing.com
Website	:	www.graysleasing.com
Office at	:	Lahore, Islamabad, Karachi & Skokot
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	Riaz Ahmad & Co., Chartered Accountants
Legal Advisors	:	Lexicon Law Firm

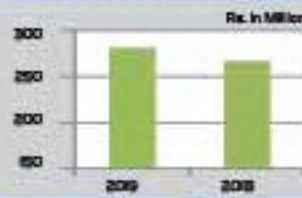
## KEY PERSON

Mr. Muhammad Tahir Butt	:	Chief Executive
Mr. Muhammad Adil Munir	:	Company Secretary
Mr. M. Avas Ibrahim	:	Chief Financial Officer
Mr. Saad Ahmad Shaheen	:	Head of Internal Audit

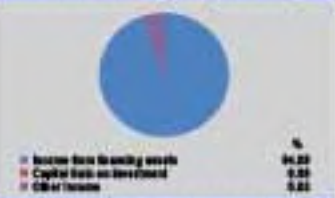
## CREDIT RATING

Short Term	B	Rating Agency
Long Term	BB-	VIS Credit Rating Company Ltd.

## Balance Sheet Growth



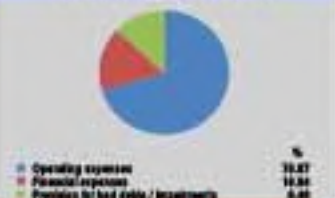
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	215.00	215.00
Reserves & Retained Earning	(147.53)	(145.64)
<b>Total Equity</b>	<b>87.47</b>	<b>89.38</b>
<b>LIABILITIES</b>		
Total Borrowings	57.50	42.50
Deposits (CDD/COI/COM)	-	-
Other Liabilities	167.53	160.22
<b>Total Liabilities</b>	<b>225.03</b>	<b>202.72</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>282.48</b>	<b>272.09</b>
<b>ASSETS</b>		
Fixed Assets	1.14	1.43
Financing Assets	278.28	264.50
Investments	-	-
Other Assets	13.07	6.16
<b>Total Assets</b>	<b>282.48</b>	<b>272.09</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	3.34	2.92
Current Ratio (x)	1.08	1.16
Break-up Value (Rs.)	3.14	3.43
Return on Equity %	(2.72)	(6.12)
Return on Assets %	(0.66)	(1.62)

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets	14.04	9.40
Capital Gain on Investment	0.13	0.04
Dividend Income	-	-
Other Income	0.75	0.45
<b>Total Income</b>	<b>14.93</b>	<b>9.89</b>
<b>EXPENSES</b>		
Operating expenses	12.36	11.99
Financial expenses	2.73	2.81
Provision for bad debts / Impairments	1.03	(2.22)
Provision for Impairment on Investment	-	-
WAF	-	-
<b>Total Expenses</b>	<b>18.12</b>	<b>12.68</b>
<b>Profit Before Tax</b>	<b>(1.19)</b>	<b>(2.69)</b>
Taxation	0.66	1.69
<b>Net Profit</b>	<b>(1.88)</b>	<b>(4.38)</b>
Dividend Payment (Rs.)	-	-
<b>SIGNIFICANT RATIOS</b>		
Earning per Share (Rs.)	(0.09)	(0.20)
Dividend per Share (%)	-	-



**NBF & Modaraba**  
Association of Pakistan

# HABIB METRO MODARABA



**Mr. Muhammad Shoaib Ibrahim**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Wazir Mumtaz Ahmed	: Chairman
Mr. Muhammad Shoaib Ibrahim	: Chief Executive Officer
Syed Rasheed Akhtar	: Non-Executive Independent Director
Mr. Saeed Uddin Khan	: Non-Executive Independent Director
Mr. Mohammad Shams Izhari	: Non-Executive Director

## COMPANY INFORMATION

Habib Metro Modaraba (the Modaraba) is a multipurpose, perpetual modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Habib Metropolitan Modaraba Management Company (Private) Limited (the Modaraba Management Company). After receiving certificate of minimum subscription, the Modaraba commenced its business operations with effect from October 06, 2017.

The address of registered office is 3rd Floor, Al-Manzoor Building, Dr. Ziauddin Ahmed Road, Karachi. The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba is engaged in Residual Value car financing model on diminishing musharika basis, providing financing for solar power equipments and other related business.

As at the balance sheet date, 60% certificates are held by Habib Metropolitan Bank Limited (the Holding Company).

## CORPORATE INFORMATION

Commenced Business on	: October 06, 2017
Head Office	: 3rd Floor, Al Manzoor Building, Dr. Ziauddin Ahmed Road, Karachi.
Tel	: (92-21) 32635949-51 UAN: 111-346-346
Fax	: (92-21) 32627373
Email	: hmm@habibmetromodaraba.com
Website	: www.habibmetromodaraba.com
Offices at	: Karachi
Listed at	: Pakistan Stock Exchange Limited
Auditors	: BCO Ebrahim & Co., Chartered Accountants
Legal Advisors	: Mohsin Tayebati & Company
Shariah Advisor	: Al-Hamd Shariah Advisory Services Pvt. Ltd.

## KEY PERSON

Mr. Muhammad Shoaib Ibrahim	: Chief Executive Officer
Mr. Rashid K. Siddiqui	: Head of Operations
Mr. Tehsin Abbas	: Company Secretary

## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

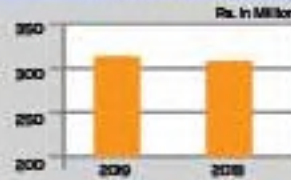
## Balance Sheet Growth



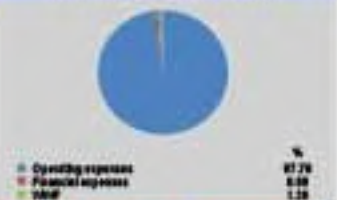
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		300.00	300.00
Reserves & Retained Earning		12.11	4.01
<b>Total Equity</b>		<b>312.11</b>	<b>304.01</b>
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (COD/COV/COM)		-	-
Other Liabilities		7.31	0.98
<b>Total Liabilities</b>		<b>7.31</b>	<b>0.98</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>319.42</b>	<b>304.99</b>
<b>ASSETS</b>			
Fixed Assets		4.34	4.81
Financing Assets		168.02	12.34
Investments		70.00	50.00
Other Assets		77.06	237.84
<b>Total Assets</b>		<b>319.42</b>	<b>304.99</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.02	0.00
Current Ratio (x)		20.12	52.70
Break-up Value (Rs.)		10.40	10.13
Return on Equity %		3.55	1.32
Return on Assets %		3.47	1.31

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets		22.61	0.21
Capital Gain on Investment		3.28	9.59
Dividend Income		-	-
Other Income		3.51	2.96
<b>Total Income</b>		<b>29.39</b>	<b>12.86</b>
<b>EXPENSES</b>			
Operating expenses		17.89	8.53
Financial expenses		0.18	0.03
Provision for bad debts / Impairments		-	-
Preliminary expenses		-	-
WAF		0.23	0.08
<b>Total Expenses</b>		<b>18.30</b>	<b>8.96</b>
<b>Profit Before Tax</b>		<b>11.09</b>	<b>4.01</b>
Taxation		-	-
<b>Net Profit</b>		<b>11.09</b>	<b>4.01</b>
Dividend Payment (Rs.)		8.25	3.00
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		0.37	0.13
Dividend per Certificate (%)		2.75	1.00

# KASB MODARABA



**Mr. Karim Hatim**  
Chief Executive

## BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	:	Chairman
Mr. Shahid Ghaffar	:	Director
Ms. Ayesha Aziz	:	Director
Mr. Abdul Jaleel Shaikh	:	Director
Mr. Ahmed Ateeq	:	Director
Mr. Karim Hatim	:	Chief Executive

## COMPANY INFORMATION

KASB Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by KASB Invest (Private) Limited (the Management Company), a company incorporated in Pakistan. The Modaraba is currently engaged in various modes of Islamic mode of financing and businesses which include Ijarah financing, deployment of fund in Musharaka, Murabaha and Investment in securities.

The Registrar Modarabas, with the approval of the Securities & Exchange Commission of Pakistan, vide order dated January 31, 2020 appointed Awwal Modaraba Management Limited (AMML) to take over and manage the affair of the Modaraba. AMML has taken over the management and administrative control of KASB Modaraba effective from February 03, 2020.

## CORPORATE INFORMATION

Commenced Business on	:	October 22, 1990
Head Office	:	Office # B, 5th Floor, Lakson Square Building # 1, Sagar Shaheed Road, Karachi. (92-21) 35630621-23-25-26
Tel	:	
Email	:	sales.mod@kasb.net
Website	:	www.kasbmodaraba.com
Offices at	:	Karachi, Lahore and Islamabad
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	RSM Awaiz Hyder Liaquat Nauman, Chartered Accountants
Legal Advisors	:	Ahmed & Qazi Advocates S&B Durani Law Associates
Shariah Advisor	:	Al-Hilal Shariah Advisors (Pvt.) Ltd.

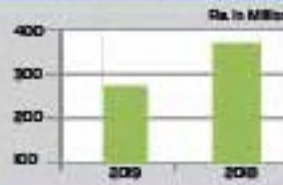
## KEY PERSON

Mr. Karim Hatim	:	Chief Executive Officer
Mr. Aftab Afroz Mehmoodi	:	Chief Financial Officer
Ms. Iqra Sajjad	:	Company Secretary
Mr. Rashid Bashir	:	Head of Legal
Mr. Mazhar Mujtaba	:	Head of Accounts

## CREDIT RATING

Short Term	Rating Agency
Long Term	

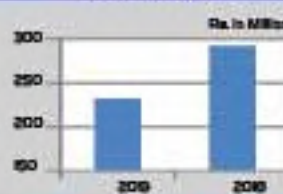
## Balance Sheet Growth



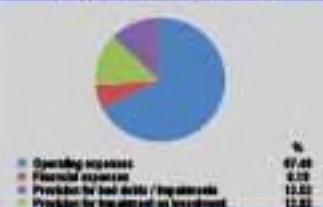
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	480.66	480.66
Discount on issuance of certificate	(98.96)	(98.96)
Reserves & Retained Earning	(141.00)	(106.76)
<b>Total Equity</b>	<b>240.71</b>	<b>274.96</b>
<b>LIABILITIES</b>		
Total Borrowings	12.57	37.70
Deposits (COO/COV/COM)	1.32	37.09
Other Liabilities	15.99	25.87
<b>Total Liabilities</b>	<b>29.88</b>	<b>100.65</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>270.58</b>	<b>376.60</b>
<b>ASSETS</b>		
Fixed Assets	5.70	15.40
Financing Assets	137.90	252.44
Investments	-	-
Other Assets	126.98	107.76
<b>Total Assets</b>	<b>270.58</b>	<b>376.60</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.12	0.37
Current Ratio (x)	10.28	3.51
Break-up Value (Rs.)	5.01	5.72
Return on Equity %	(14.22)	(41.54)
Return on Assets %	(12.65)	(30.41)

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Financing Assets	18.19	45.01
Capital Gain on Investment	6.35	-
Dividend Income	-	-
Other Income	2.63	12.11
<b>Total Income</b>	<b>27.18</b>	<b>68.12</b>
<b>EXPENSES</b>		
Operating expenses	41.43	67.03
Financial expenses	3.80	10.01
Provision for bad debts / Impairments	8.30	95.28
Provision for impairment on Investment	7.87	-
WWF	-	-
<b>Total Expenses</b>	<b>61.40</b>	<b>172.33</b>
Profit Before Tax	(34.24)	(114.21)
Taxation	-	-
<b>Net Profit</b>	<b>(34.24)</b>	<b>(114.21)</b>
Dividend Payment (Rs.)	-	-
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	(0.71)	(2.38)
Dividend per Certificate (%)	-	-



# LSE FINANCIAL SERVICES LIMITED



**Muhammad Sibghatullah Khalid**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Rashid Rahman Mir	: Chairman/Nominee Independent Director
Mr. Ali Mehd	: Nominee Independent Director
Mr. Ammar-Ul-Haq	: Elected Shareholder Director
Mr. Aatif Baig Mirza	: Elected Shareholder Director
Mr. Jahanzab Mirza	: Elected Shareholder Director
Ms. Javaria Malik	: Nominee Independent Director
Mr. Khalid Waheed	: Elected Shareholder
Mr. Muhammad Sibghatullah Khalid	: Chief Executive Officer
Mr. Omar Khalil Malik	: Elected Shareholder Director

## COMPANY INFORMATION

LSE Financial Services Ltd. is licensed to undertake the business of Investment Finance Services as a Non-Banking Finance Company (NBFC). The Company is a non-deposit taking lending NBFC. Presently, as a Financier Member of National Clearing Company of Pakistan Ltd., participates in the Margin Trading System (MTS). The Company also has shareholding in CDC, NCCPL, PMEX, and PACRA. It also owns LSE Plaza's twin towers, situated at 19-Khyaban-e-Aiwan-e-Iqbal, Lahore.

Majority of the shareholders of the Company are stock brokers, since the Company was converted from stock exchange to NBFC, after integration of exchange's business of former Lahore Stock Exchange Ltd. with former Karachi Stock Exchange Ltd., to form Pakistan Stock Exchange Ltd., on January 11, 2016 under the scheme of integration. Presently, there is no majority shareholder of this Company. The Board of Directors of the Company consists of 9 directors, out of which 3 are independent directors, including the Chairman. The Board has appointed professional management to run the affairs of the Company.

## CORPORATE INFORMATION

Commenced Business on :	January 11, 2016
Head Office :	LSE Plaza, 19-Khyaban-e-Aiwan-e-Iqbal, Lahore
Tel :	(92-21) 36368000-3
Fax :	(92-21) 36368484-5
Email :	Info@lse.com.pk
Website :	www.lse.com.pk
Offices at :	Lahore
Listed at :	-
Auditors :	Kreston Hyder Bhatti & Co., Chartered Accountants
Legal Advisors :	Sayed, Hafeez & Mirza, Advocates
Shari'ah Advisor :	-

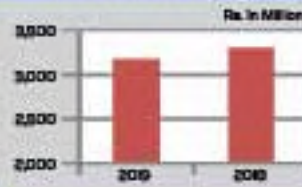
## KEY PERSON

Muhammad Sibghatullah Khalid	: Chief Executive Officer
Rana Naveed Ahmed	: Company Secretary
Mr. Ghulam Mustafa	: Chief Financial Officer

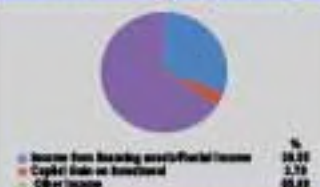
## CREDIT RATING

Short Term	A-1	Rating Agency
Long Term	A	VIS Credit Rating Co. Ltd.

## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
		(Rupees in Million)	
<b>EQUITY</b>			Restated
Issued, Subscribed & Paid up Capital		1,282.84	1,282.84
Reserves & Retained Earning		1,528.73	1,533.09
<b>Total Equity</b>		<b>2,811.57</b>	<b>2,815.94</b>
<b>LIABILITIES</b>			
Total Borrowings		-	85.71
Deposits (COD/COM/COM)		-	-
Other Liabilities		244.98	266.26
<b>Total Liabilities</b>		<b>244.98</b>	<b>351.98</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>3,166.56</b>	<b>3,167.91</b>
<b>ASSETS</b>			
Fixed Assets		1,282.83	1,287.41
Financing Assets / Stores & Spares, Stock-in-trade		4.61	5.02
Investments		1,709.59	1,751.42
Other Assets		159.52	124.06
<b>Total Assets</b>		<b>3,166.56</b>	<b>3,167.91</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.08	0.14
Current Ratio (x)		4.06	3.66
Break-up Value (Rs.)		22.70	21.70
Return on Equity %		5.45	12.00
Return on Assets %		5.02	11.00

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
		(Rupees in Million)	
<b>INCOME</b>			
Income from financing assets / Rental income		96.41	168.91
Capital Gain on Investment		11.52	2.88
Dividend income		-	-
Other Income		207.29	352.04
<b>Total Income</b>		<b>316.82</b>	<b>623.83</b>
<b>EXPENSES</b>			
Operating expenses		98.97	94.69
Financial expenses		9.00	8.35
Provision for bad debts / Impairments		-	-
Provision for Impairment on Investment		-	-
WAF		-	-
<b>Total Expenses</b>		<b>107.98</b>	<b>103.04</b>
<b>Profit Before Tax</b>		<b>207.65</b>	<b>420.79</b>
Taxation		48.91	76.52
<b>Net Profit</b>		<b>168.74</b>	<b>344.27</b>
Dividend Payment (Rs.)		102.63	64.14
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		1.24	2.68
Dividend per Share (%)		8.00	5.00

# MODARABA AL- MALI



**Mr. Mohammed Sadiq Sheikh**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Sohail Sikandar	: Chairman
Ms. Ayesha Ashraf Jangda	: Director
Mr. Muhammad Haris Munawar	: Director
Mr. Khurram Jamil	: Director
Mr. Kaashif Nisar	: Director
Mr. Rizwan Qamar Lari	: Director
Mr. Muhammad Hamid	: Director
Mr. Mohammed Sadiq Sheikh	: Chief Executive Officer

## COMPANY INFORMATION

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 Modaraba is listed on the Pakistan Stock Exchange Limited. Registered office is situated at Progressive Square, Shahr-e Faisal, Karachi, in the province of Sindh.

The Modaraba is engaged in the business of leasing, murabaha, musharaka financing, operation of petrol and diesel filling / service station.

## CORPORATE INFORMATION

Commenced Business on :	July 08, 1987
Head Office	: 10th Floor, Progressive Square, Sharea Faisal, Karachi.
Tel	: (92-21) 34547521-25
Fax	: (92-21) 34547526
Email	: info@modarabaaimal.com
Website	: www.modarabaaimal.com
Offices at	: Karachi
Listed at	: Pakistan Stock Exchange Limited
Auditors	: A.F. Ferguson & Co., Chartered Accountants
Legal Advisors	: Mohsin Tayebali & Company, Advocate Bawany & Partners
Shari'ah Advisor	: Mufti Altauliah

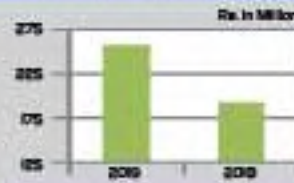
## KEY PERSON

Mr. Mohammed Sadiq Sheikh	: Chief Executive Officer
Mr. Raahid Matin Khan	: Chief Financial Officer & Company Secretary

## CREDIT RATING

Short Term	A2	Rating Agency
Long Term	BBB+	Pakistan Credit Rating Agency Ltd.

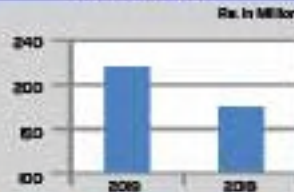
## Balance Sheet Growth



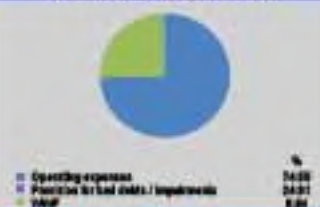
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	184.24	184.24
Reserves & Retained Earning	49.06	(15.76)
<b>Total Equity</b>	<b>233.30</b>	<b>168.48</b>
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COD/COD/COM)	-	-
Other Liabilities	27.79	27.13
<b>Total Liabilities</b>	<b>27.79</b>	<b>27.13</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>261.09</b>	<b>195.61</b>
<b>ASSETS</b>		
Fixed Assets	69.33	70.26
Financing Assets	29.36	32.63
Investments	-	-
Other Assets	162.39	92.72
<b>Total Assets</b>	<b>261.09</b>	<b>195.61</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.12	0.16
Current Ratio (x)	3.73	3.76
Break-up Value (Rs.)	12.66	9.14
Return on Equity %	3.41	7.00
Return on Assets %	3.05	6.00

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets / Operation	29.27	35.87
Capital Gain on disposal of property & equipment	3.72	-
Dividend Income	-	-
Other Income	3.13	21.79
<b>Total Income</b>	<b>36.12</b>	<b>57.66</b>
<b>EXPENSES</b>		
Operating expenses	20.38	44.70
Financial expenses	-	-
Provision for bad debts / impairments	6.78	-
Provision for Impairment on Investment	-	-
WAF	0.18	0.25
<b>Total Expenses</b>	<b>27.34</b>	<b>44.95</b>
Profit Before Tax	8.78	12.71
Taxation	0.82	1.11
<b>Net Profit</b>	<b>7.96</b>	<b>11.60</b>
Dividend Payment (Rs.)	2.95	9.21
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.43	0.63
Dividend per Certificate (%)	1.60	5.00



# ORIENT RENTAL MODARABA



**Mr. Giasuddin Khan**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Muhammad Saeed	:	Chairman
Mr. Giasuddin Khan	:	Chief Executive Officer
Mr. Joozer Jiwa Khan	:	Non Executive Independent Director
Mr. Naaim Ahmed	:	Non Executive Director
Mr. Ali Akbar Abdullah	:	Non Executive Director

## COMPANY INFORMATION

Orient Rental Modaraba was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by the Eman Management (Private) Limited ('Eman Management'). Eman Management is incorporated in Pakistan under the Companies Ordinance, 1984 and is registered with the Registrar of Modaraba Companies and Modarabas under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

The Orient Rental Modaraba ("the Modaraba") is a multi-purpose and perpetual Modaraba. The Modaraba is mainly engaged in providing equipment rental solutions, operation and maintenance services.

## CORPORATE INFORMATION

Commenced Business on	:	November 24, 2017
Head Office	:	Plot No.9, Sector-24, Korangl Industrial Area, Karachi.
Tel	:	(92-21) 35146001-3 UAN: 111-676-676
Fax	:	
Email	:	info@orientmodaraba.com
Website	:	www.orientmodaraba.com
Offices at	:	Karachi
Listed at	:	Pakistan Stock Exchange Limited
Auditors	:	BDO Ebrahim & Co., Chartered Accountants
Legal Advisors	:	Mr. M. Hashim Lodhi
Shariah Advisor	:	Mufti Ibrahim Essa

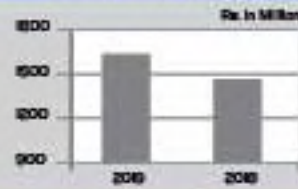
## KEY PERSON

Mr. Giasuddin Khan	:	Chief Executive Officer
Mr. Abid Hussain Awan	:	Chief Financial Officer
Mr. Muhammad Jamal Ahmedani	:	Company Secretary
Ms. Oraila Shahzad	:	Head of Internal Audit

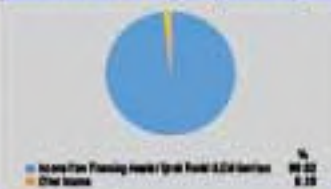
## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	

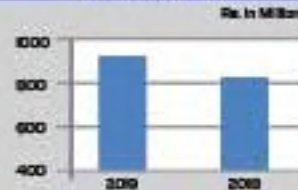
## Balance Sheet Growth



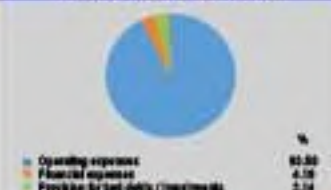
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	750.00	750.00
Reserves	122.49	71.50
<b>Total Equity</b>	<b>872.49</b>	<b>821.50</b>
<b>LIABILITIES</b>		
Total Borrowings	451.25	460.00
Deposits (COI/COO/COM)	-	-
Other Liabilities	293.65	180.73
<b>Total Liabilities</b>	<b>734.89</b>	<b>640.73</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,607.39</b>	<b>1,462.24</b>
<b>ASSETS</b>		
Fixed Assets	61.09	15.86
Financing Assets	1,134.66	1,108.70
Investments	-	-
Other Assets	411.64	337.68
<b>Total Assets</b>	<b>1,607.39</b>	<b>1,462.24</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.84	0.78
Current Ratio (x)	0.89	1.28
Break-up Value (Rs.)	11.63	10.95
Return on Equity %	12.00	8.70
Return on Assets %	6.00	4.89

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Financing Assets / Cash Rental & DM Services	1,274.75	610.62
Capital Gain on Investment	-	-
Dividend Income	-	-
Other Income	2.26	9.01
<b>Total Income</b>	<b>1,277.01</b>	<b>619.63</b>
<b>EXPENSES</b>		
Operating expenses	1,097.92	508.54
Financial expenses	49.18	16.73
Provision for bad debts / Impairments	25.09	21.41
Provision for Impairment on Investment	-	-
WWF	2.10	1.46
<b>Total Expenses</b>	<b>1,174.29</b>	<b>548.13</b>
<b>Profit Before Tax</b>	<b>102.73</b>	<b>71.50</b>
Taxation	-	-
<b>Net Profit</b>	<b>102.73</b>	<b>71.50</b>
Dividend Payment (Rs.)	75.00	51.75
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	1.37	0.95
Dividend per Certificate (%)	10.00	6.90

# ORIX LEASING PAKISTAN LIMITED



**Mr. Shaheen Amin**  
Chief Executive Officer

## BOARD OF DIRECTORS

<b>Mr. Khalid Aziz Mirza</b>	: Chairman & Independent Non-Executive Director
<b>Mr. Naveed Kamran Baloch</b>	: Independent Non-Executive Director
<b>Mr. Nasim Hyder</b>	: Independent Non-Executive Director
<b>Ms. Aminah Zahid Zaheer</b>	: Independent Non-Executive Director
<b>Mr. Harukazu Yamaguchi</b>	: Non-Executive Director
<b>Mr. Kiyokazu Ishinabe</b>	: Non-Executive Director
<b>Mr. Ikuo Nakamura</b>	: Non-Executive Director
<b>Mr. Masato Takata</b>	: Non-Executive Director
<b>Mr. Shaheen Amin</b>	: Chief Executive Officer & Executive Director

## COMPANY INFORMATION

ORIX Leasing Pakistan Limited ("the Company") was incorporated in Pakistan as a private limited company on July 1, 1988 under the Companies Ordinance, 1984 and was converted into a public limited company on December 23, 1987. The Company is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Islamic Chamber of Commerce Building, Clifton, Karachi. The Company is licensed to carry out Investment Finance Services as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) issued by the Securities and Exchange Commission of Pakistan (SECP). The Company has investments in leasing companies in the Middle East & North Africa region & has ORIX Services Pakistan (Pvt.) Ltd. & ORIX Modaraba as its Subsidiaries in Pakistan.

## CORPORATE INFORMATION

<b>Commenced Business on</b>	: January 01, 1987
<b>Head Office</b>	: ORIX Building, Plot No.16, Sector-24, Korangi Industrial Area, Karachi.
<b>Tel</b>	: (92-21) 35144029-40 UAN: 111242424
<b>Fax</b>	: (92-21) 35144002, 35144020
<b>Email</b>	: oip@orixpakistan.com
<b>Website</b>	: www.orixpakistan.com
<b>Offices at</b>	: Karachi, Lahore, Islamabad, Peshawar & 30 other cities & towns.
<b>Listed at</b>	: Pakistan Stock Exchange Limited
<b>Auditors</b>	: A.F. Ferguson & Co., Chartered Accountants
<b>Legal Advisors</b>	: M/s. Mansoor Ahmad Khan & Co. M/s. Mohsin Tayabally & Co.
<b>Shariah Advisor</b>	: Al Hamd Shariah Advisory Services (Private) Limited

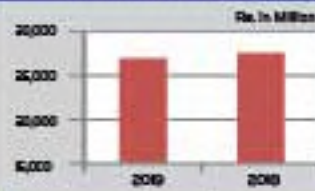
## KEY PERSONS

<b>Mr. Shaheen Amin</b>	: Chief Executive Officer
<b>Mr. Arshad Abbas</b>	: Deputy Chief Executive Officer
<b>Ms. Maryam Aziz</b>	: Chief Financial Officer
<b>Mr. Halder Abbas</b>	: Company Secretary
<b>Mr. Nadeem Amir Ali</b>	: Head of Internal Audit
<b>Mian Fayaz Rizaz</b>	: Group General Manager - Marketing

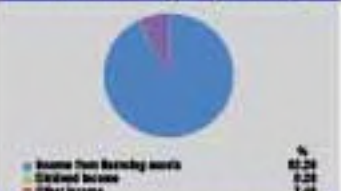
## CREDIT RATING

<b>Short Term</b>	A1+	<b>Rating Agency</b>
<b>Long Term</b>	AA+	The Pakistan Credit Rating Agency

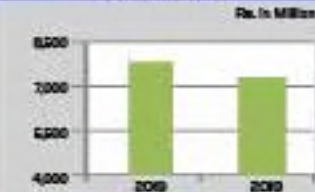
## Balance Sheet Growth



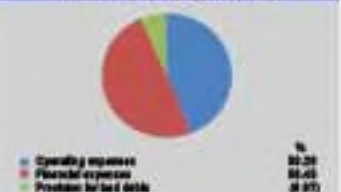
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
		(Rupees in Million)	
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		1,670.55	1,352.12
Reserves & Retained Earning		6,342.54	5,856.76
<b>Total Equity</b>		<b>8,013.09</b>	<b>7,248.88</b>
<b>LIABILITIES</b>			
Total Borrowings		11,386.51	11,774.35
Deposits (COD/COM/COM)		4,259.47	5,275.94
Other Liabilities		2,331.73	2,399.58
<b>Total Liabilities</b>		<b>17,977.72</b>	<b>19,449.87</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>26,990.80</b>	<b>28,698.76</b>
<b>ASSETS</b>			
Fixed Assets		1,209.14	1,324.35
Financing Assets		22,000.24	22,376.44
Investments		2,115.94	2,059.71
Other Assets		665.48	938.25
<b>Total Assets</b>		<b>26,990.80</b>	<b>28,698.76</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		1.95	2.35
Current Ratio (x)		1.56	1.39
Break-up Value (Rs.)		47.97	52.07
Return on Equity %		13.40	23.55
Return on Assets %		3.88	5.23

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
		(Rupees in Million)	
<b>INCOME</b>			
Income from Financing Assets		3,856.22	3,477.57
Capital Gain on Investment		-	329.36
Dividend Income		11.77	12.68
Other Income		311.86	652.35
<b>Total Income</b>		<b>4,179.86</b>	<b>4,471.96</b>
<b>EXPENSES</b>			
Operating expenses		1,371.42	1,343.92
Financial expenses		1,542.32	1,390.00
Provision for bad debts / Impairments		(190.52)	18.43
Other Provisions - net		8.83	(0.16)
WWF		-	-
<b>Total Expenses</b>		<b>2,782.06</b>	<b>2,762.21</b>
<b>Profit Before Tax</b>		<b>1,447.80</b>	<b>1,719.75</b>
Taxation		425.28	340.13
<b>Net Profit</b>		<b>1,022.62</b>	<b>1,379.62</b>
Dividend Payment (Rs.)		626.46	695.79
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.) (Restated 2018)		6.12	8.40
Dividend per Share (%)		37.50	* 50.00

\* It includes Bonus Share of Rs. 278.42 million



**NBFI & Modaraba**  
Association of Pakistan

## ORIX MODARABA



**Mr. Raheel Qamar Ahmad**  
Chief Executive Officer

### BOARD OF DIRECTORS

Mr. Shaheen Amin	: Chairman
Mr. Raheel Qamar Ahmad	: MD/Chief Executive
Mr. Ramon Alfrey	: Director
Mr. Nausherwan Adil	: Independent Director
Milan Fayzal Riaz	: Director
Ms. Maryam Aziz	: Director

### COMPANY INFORMATION

ORIX Modaraba (formerly Standard Chartered Modaraba) (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by ORIX Services Pakistan (Private) Limited (formerly Standard Chartered Services of Pakistan (Private Limited) (the Management Company). The Management Company is a wholly owned subsidiary of ORIX Leasing Pakistan Limited. The registered office is situated at 801, Syedna Tahir Saifuddin Foundation Building, Beaumont Road, Civil Lines, Karachi, Pakistan.

The Modaraba is a perpetual Modaraba and is primarily engaged in Islamic Financing of plant, machinery, motor vehicles (both commercial and private) and computer equipment, etc. The Modaraba may also invest in commercial and industrial ventures suitable for the Modaraba. The Modaraba is listed on the Pakistan Stock Exchange Limited.

### CORPORATE INFORMATION

Commenced Business on	: August 1987
Head Office	: Office # 801, 8th Floor, Syedna Tahir Saifuddin Foundation Building, Beaumont Road, Civil Lines, Karachi
Tel	: (92-21) 35830000
Email	: askus@orixmodaraba.com
Website	: www.orixmodaraba.com
Offices at	: Karachi, Lahore & Islamabad
Listed at	: Pakistan Stock Exchange Limited
Auditors	: KPMG Taseer Hadi & Co., Chartered Accountants
Legal Advisors	: Fazle Ghani Advocates
Shariah Advisor	: Mufti Faisal Ahmed

### KEY PERSON

Mr. Raheel Qamar Ahmad	: MD/Chief Executive Officer
Mr. Muhammad Siddique	: Chief Financial Officer & Company Secretary

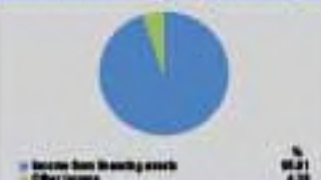
### CREDIT RATING

Short Term	A1+	Rating Agency
Long Term	AA	Pakistan Credit Rating Agency Limited

### Balance Sheet Growth



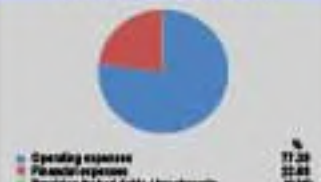
### Revenue Analysis (2018-18)



### Equity Growth



### Cost Analysis (2018-18)



### PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		453.84	453.84
Reserves & Retained Earning		705.56	694.05
<b>Total Equity</b>		<b>1,159.40</b>	<b>1,147.89</b>
<b>LIABILITIES</b>			
Total Borrowings		1,933.67	1,636.37
Deposits (CODICOM/COM)		2,785.71	3,127.12
Other Liabilities		1,086.16	1,042.07
<b>Total Liabilities</b>		<b>5,805.54</b>	<b>5,805.56</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>6,964.90</b>	<b>6,953.44</b>
<b>ASSETS</b>			
Fixed Assets		8.48	17.34
Financing Assets		6,224.58	6,327.09
Investments		-	-
Other Assets		732.96	609.00
<b>Total Assets</b>		<b>6,964.90</b>	<b>6,953.44</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		4.07	4.15
Current Ratio (x)		0.43	0.28
Break-up Value (Rs.)		25.57	25.29
Return on Equity %		10.92	10.47
Return on Assets %		1.81	1.73

### PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Financing Assets		2,007.21	1,939.96
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		92.25	103.56
<b>Total Income</b>		<b>2,099.46</b>	<b>2,043.52</b>
<b>EXPENSES</b>			
Operating expenses		1,527.27	1,676.79
Financial expenses		447.55	245.93
Provision for bad debts / Impairments		(3.95)	(1.95)
Provision for Impairment on Investment		-	-
WNF		2.57	2.46
<b>Total Expenses</b>		<b>1,973.41</b>	<b>1,926.13</b>
<b>Profit Before Tax</b>		<b>126.05</b>	<b>120.30</b>
Taxation		-	-
<b>Net Profit</b>		<b>126.05</b>	<b>120.30</b>
Dividend Payment (Rs.)		113.46	113.46
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		2.78	2.65
Dividend per Certificate (%)		25.00	25.00



# PAK-GULF LEASING COMPANY LIMITED



**Mr. Mahfuz-ur-Rehman Pasha**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Sohail Inam Ellahi	: Chairman
Mr. Pervez Inam	: Director
Mr. Fawad Salim Malik	: Director
Brig. Naveed Naasir Khan (Retd.)	: Director
Mr. Ismail H. Ahmed	: Director
Mr. Jan Ali Khan Junejo	: Director
Mr. Naeem Ali Muhammad Munshi	: Director
Mr. Mahfuz-ur-Rehman Pasha	: Chief Executive Officer

## COMPANY INFORMATION

PGL, a privately-sponsored Leasing Company, has been profitably operating for the past 23 years. It is listed on the Pakistan Stock Exchange. PGL follows a highly prudent and consistent policy for undertaking risk, which has kept its Rental Recovery Rate to over 95%. Its product range includes lease finance and diminishing Musharakah. Larger exposures are mostly collateralised / securitised by PGL as a risk management measure. PGL manages its tax liabilities well and is frugal in increasing its fixed costs.

## CORPORATE INFORMATION

Commenced Business on :	September 18, 1998
Head Office	: UNIBRO House, Plot No.114, 9th East Street, Phase-I, DHA, Karachi
Tel	: (92-21) 35820301, 35820905-8, 35824401, 35375998-7
Fax	: (92-21) 35820302, 35375995
Email	: <a href="mailto:pgl@pakgulfeasing.com">pgl@pakgulfeasing.com</a>
Website	: <a href="http://www.pakgulfeasing.com">www.pakgulfeasing.com</a>
Offices at	: Karachi & Lahore, Pakistan
Listed at	: Pakistan Stock Exchange Limited
Auditors	: BDO Ibrahim & Co. Chartered Accountants
Legal Advisors	: Mohsin Tajebaly & Co.
Shariah Advisor	: M/s. Alhamd Shariah Advisory Services (Pvt) Ltd.

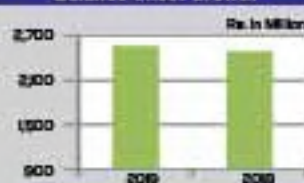
## KEY PERSON

Mr. Mahfuz-ur-Rehman Pasha	: Chief Executive Officer
Lt. Col. Saleem Ahmed Zafar (Retd.)	: Chief Operating Officer
Mr. Khalil Anwar Hassan	: General Manager Sindh
Lt. Col. Farhat Parvez Kayani (Retd.)	: General Manager Punjab
Mr. Afzal-ul-Haque	: DCOO & Senior Manager Risk
Ms. Mehreen Usama	: CFO & Company Secretary
Ms. Farah Farooq	: Head of Audit
Major Arifullah Lodhi (Retd.)	: Manager HR & Administration
Mr. Ayaz Latif	: Head of IT

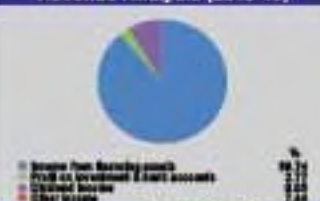
## CREDIT RATING

Short Term	A-2	Rating Agency
Long Term	A-	VIS Credit Rating Company Ltd.

## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	253.70	253.70
Reserves & Retained Earning	504.95	473.34
<b>Total Equity</b>	<b>758.65</b>	<b>727.04</b>
<b>LIABILITIES</b>		
Total Borrowings	464.34	408.40
Deposits (COD/COM/COM)	392.31	378.13
Other Liabilities	1,046.50	1,035.25
<b>Total Liabilities</b>	<b>1,903.15</b>	<b>1,821.78</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,661.79</b>	<b>2,548.82</b>
<b>ASSETS</b>		
Fixed Assets	7.05	8.68
Financing Assets	2,385.28	2,298.09
Investments / Investment Property	217.91	209.27
Other Assets	51.55	32.77
<b>Total Assets</b>	<b>2,661.79</b>	<b>2,548.82</b>

### SIGNIFICANT RATIOS

	Jun-19	Jun-18
Gearing (x)	2.86	1.08
Current Ratio (x)	1.34	1.01
Break-up Value (Rs.)	26.27	28.66
Return on Equity %	8.49	9.64
Return on Assets %	2.42	2.72

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from financing assets	218.86	178.15
Profit on investment & bank accounts	6.75	5.09
Dividend Income	0.13	-
Other Income	18.15	17.14
<b>Total Income</b>	<b>243.89</b>	<b>209.38</b>
<b>EXPENSES</b>		
Operating expenses	77.62	71.07
Financial expenses	78.01	47.68
Provision for bad debts / Impairments	15.62	(0.62)
Provision for impairment on investment	-	-
WWF	1.45	1.65
<b>Total Expenses</b>	<b>172.70</b>	<b>119.78</b>
<b>Profit Before Tax</b>	<b>71.19</b>	<b>80.60</b>
Taxation	6.81	11.23
<b>Net Profit</b>	<b>64.38</b>	<b>69.37</b>
Dividend Payment (Rs.)	19.03	31.71

### SIGNIFICANT RATIOS

	Jun-19	Jun-18
Earning per Share (Rs.)	2.54	2.73
Dividend per Share (%)	7.50	12.50



**NBFI & Modaraba**  
Association of Pakistan

# POPULAR ISLAMIC MODARABA



**Mr. Muhammad Rizaz**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Imamuddin Shouqeen	: Chairman
Mr. Shahbaz Ali Malik	: Director
Mr. Khurram Abdullah	: Independent Director
Mr. Malik Junaid Emam	: Director
Mr. Kamran Hussain Mughal	: Director / Company Secretary
Mr. Muhammad Rizaz	: Chief Executive Officer

## COMPANY INFORMATION

Popular Islamic Modaraba is a multipurpose, perpetual Modaraba formed under the Modaraba and Modaraba (floatation and control) Ordinance, 1980 and the rules framed there under and is managed by the Popular Islamic Modaraba Management Company (Private) Limited (formerly by Islamic Investment Bank Limited - under liquidation), a company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and registered with Registrar of Modaraba Companies. The registered office of the modaraba is situated at 15th Floor, Chappal Plaza, Hasrat Mohani Road, Off I.I.Chundrigar Road, Karachi. The Modaraba is listed on the Pakistan Stock Exchange Limited.

The Modaraba is engaged in various Islamic modes of financing and business including leasing, musharaka, murabaha arrangements, trading in listed securities and other commodities.

## CORPORATE INFORMATION

Commenced Business on	: August 06, 2013
Head Office	: 15th Floor, Chappal Plaza, Hasrat Mohani Road, Off. I.I. Chundrigar Road, Karachi.
Tel	: (92-21) 32471892
Fax	: (92-21) 32471895
Email	: info@popularislamicmodaraba.com
Website	: www.popularislamicmodaraba.com
Offices at	: Karachi
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Baker Tilly Mehmood Idrees Qamar, Chartered Accountants
Legal Advisors	: Zafar Ali Shah Advocate Bukhari Law Associates
Shari'ah Advisor	: Mufti Muhammad Ibrahim Essa

## KEY PERSON

Mr. Muhammad Rizaz	: Chief Executive Officer
Mr. Kamran Hussain Mughal	: Company Secretary
Mr. Ali Hasan Kalroo	: Chief Financial Officer
Mr. Adnan Ali	: Manager Operation

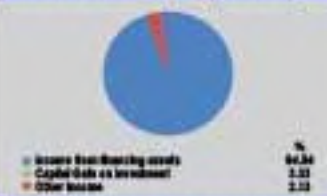
## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	100.00	100.00
Reserves & Retained Earning	(13.94)	(18.78)
<b>Total Equity</b>	<b>86.06</b>	<b>81.22</b>
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COO/COM/COM)	-	-
Other Liabilities	34.51	44.31
<b>Total Liabilities</b>	<b>34.51</b>	<b>44.31</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>120.57</b>	<b>125.53</b>
<b>ASSETS</b>		
Fixed Assets	0.02	0.02
Financing Assets	61.96	74.96
Investments	41.32	27.24
Other Assets	17.27	23.32
<b>Total Assets</b>	<b>120.57</b>	<b>125.53</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	0.40	0.55
Current Ratio (x)	1.84	1.65
Break-up Value (Rs.)	8.61	8.12
Return on Equity %	5.79	3.24
Return on Assets %	3.93	2.09

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Financing Assets	25.07	29.95
Capital Gain on Investment	0.88	(0.08)
Dividend Income	-	-
Other Income	0.57	1.17
<b>Total Income</b>	<b>26.51</b>	<b>31.08</b>
<b>EXPENSES</b>		
Operating expenses	21.76	27.84
Financial expenses	-	-
Provision for bad debts / Impairments	(0.20)	0.20
Provision for Impairment on Investment	-	-
WWF	0.10	0.06
<b>Total Expenses</b>	<b>21.86</b>	<b>28.10</b>
Profit Before Tax	4.85	2.94
Taxation	0.01	0.31
<b>Net Profit</b>	<b>4.84</b>	<b>2.83</b>
Dividend Payment (Rs.)	3.48	-
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.48	0.26
Dividend per Certificate (%)	3.48	-

# PRIMUS LEASING LIMITED



**Irfan Ahmed**  
Chief Executive Officer

## BOARD OF DIRECTORS

<b>Ms. Ayesha Aziz</b>	: Non-Executive Director/Chairperson
<b>Mr. Abdul Jaleel Shaikh</b>	: Non-Executive Director
<b>Ms. Arjumand Amin Qazi</b>	: Non-Executive Director
<b>Mr. Zafar Iqbal Sobani</b>	: Independent Director
<b>Mr. Ayyaz Ahmad</b>	: Independent Director
<b>Mr. Irfan Ahmed</b>	: Chief Executive Officer

## COMPANY INFORMATION

Primus Leasing Limited ("The Company") was incorporated in Pakistan as a public unlisted company on July 13, 2017 under the Companies Act, 2017. The registered office of the Company is situated at Horizon Vista, Commercial-10, Block-4, Scheme-5, Clifton, Karachi. The Company has been licensed to carry out leasing business as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP).

The principal objectives of the Company is to carry on and undertake the business of leasing of moveable assets (plant, machinery, equipment, generators, vehicles etc.)

## CORPORATE INFORMATION

<b>Commenced Business on :</b>	December 2017
<b>Head Office :</b>	Horizon Vista, Commercial-10, Block-4, Scheme-5, Clifton, Karachi.
<b>Tel :</b>	(92-21) 35361215-19
<b>Fax :</b>	(92-21) 35833503
<b>Email :</b>	info@primusleasingtd.com
<b>Website :</b>	www.primusleasingtd.com
<b>Offices at :</b>	Karachi & Lahore
<b>Listed at :</b>	Unlisted
<b>Auditors :</b>	A. F. Ferguson & Co., Chartered Accountants
<b>Legal Advisors :</b>	LMA Ebrahim Hossain, Barristers, Advocates & Corporate Legal Consultants

## KEY PERSON

<b>Mr. Irfan Ahmed</b>	: Chief Executive Officer
<b>Mr. Zia Mohiuddin</b>	: Chief Accountant
<b>Mr. Mohsin Siraj</b>	: Head of Operations
<b>Ms. Iqra Sajjad</b>	: Company Secretary

## CREDIT RATING

<b>Short Term</b>	-	<b>Rating Agency</b>
<b>Long Term</b>	-	-

## Balance Sheet Growth



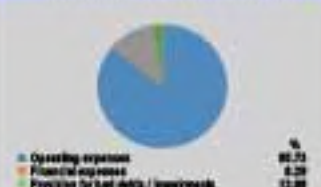
## Revenue Analysis (2018-2019)



## Equity Growth



## Cost Analysis (2018-2019)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		1,000.00	1,000.00
Reserves & Retained Earning		39.16	12.25
<b>Total Equity</b>		<b>1,039.16</b>	<b>1,012.25</b>
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (COD/GOVCOM)		-	-
Other Liabilities		222.78	51.83
<b>Total Liabilities</b>		<b>222.78</b>	<b>51.83</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,261.94</b>	<b>1,104.08</b>
<b>ASSETS</b>			
Fixed Assets		18.10	9.42
Financing Assets		875.81	253.17
Investments		348.09	834.07
Other Assets		19.94	7.42
<b>Total Assets</b>		<b>1,261.94</b>	<b>1,104.08</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.21	0.09
Current Ratio (x)		36.80	28.14
Break-up Value (Rs.)		10.39	10.12
Return on Equity %		2.71	1.07
Return on Assets %		2.23	0.98

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from financing assets		62.61	6.53
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		54.91	50.20
<b>Total Income</b>		<b>117.62</b>	<b>68.78</b>
<b>EXPENSES</b>			
Operating expenses		44.62	24.51
Financial expenses		0.15	0.02
Provision for bad debts / Impairments		6.29	2.56
Preliminary expenses		-	11.80
WWF		0.99	0.30
<b>Total Expenses</b>		<b>62.06</b>	<b>39.19</b>
<b>Profit Before Tax</b>		<b>65.47</b>	<b>17.54</b>
Taxation		18.56	5.30
<b>Net Profit</b>		<b>48.91</b>	<b>12.24</b>
Dividend Payment (Rs.)		-	20.00
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		0.47	0.12
Dividend per Share (%)		-	2.00



**NBFI & Modaraba**  
Association of Pakistan

# SAUDI PAK LEASING COMPANY LIMITED



**Mr. Ahsan Ullah Khan**  
Chief Executive Officer/Director

## BOARD OF DIRECTORS

<b>Mr. Niaz Ahmed Khan</b>	: Chairman/Non-Executive/Independent Director
<b>Mr. Ahsanullah Khan</b>	: Chief Executive Officer/Independent Director
<b>Shaikh Aftab Ahmad</b>	: Nominee Director
<b>Mr. Zafar Iqbal</b>	: Nominee Director
<b>Ms. Fozia Fakhar</b>	: Nominee Director
<b>Mr. Muhammad Waqar</b>	: Independent Director
<b>Syed Najmul Hasnain Kazmi</b>	: Independent Director

## COMPANY INFORMATION

Saudi Pak Leasing Company Limited ("the Company") was incorporated in Pakistan on 08 January 1991 and is listed on Pakistan Stock Exchange, the registered office of the Company is situated at 6th Floor, Lakson Square Building No.1, Sarwar Shaheed Road, Saddar, Karachi. The main business activity of the Company is leasing of assets. The Company's license to carry out the business of leasing (Finance and operating) expired on 18 May 2010. The Company is not indulged in fresh business since 2010.

Saudi Pak Industrial & Agricultural Investment Company Limited (SAPICO) is the major shareholder and as of 30 June 2019 holds 35.06% (30 June 2018; 35.06%) of issued ordinary share capital of the Company and 63% (30 June 2018; 63%) of issued preference share capital of the Company. The remaining 37% preference Shares are held by Bank of Khyber (BoK). Other stakeholders of Company include Premier Mercantile and Marine Services Group holding 12.02% and Group of Piracha family holds 10.07% of issued ordinary share capital of the company. The Financials for the FYs 2019 have been audited & published.

## CORPORATE INFORMATION

<b>Commenced Business on</b>	: January 1991
<b>Head Office</b>	: 6th Floor, Lakson Square Building #1, Sarwar Shaheed Road, Karachi
<b>Tel</b>	: (92-21) 35655181-83
<b>Fax</b>	: (92-21) 35210609
<b>Email</b>	: info@saudipakleasing.com
<b>Website</b>	: www.saudipakleasing.com
<b>Offices at</b>	: Karachi & Lahore
<b>Listed at</b>	: Pakistan Stock Exchange Limited
<b>Auditors</b>	: Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants
<b>Legal Advisors</b>	: S&B Durrani Law Associates - Karachi Zabar & Zabar Law Associates - Lahore

## KEY PERSON

<b>Mr. Ahsanullah Khan</b>	: Chief Executive Officer
<b>Mr. M. Imtiaz Ali</b>	: Company Secretary
<b>Mr. Muhammad Siddique Ahmed</b>	: Chief Financial Officer

## CREDIT RATING

<b>Short Term</b>	-	<b>Rating Agency</b>
<b>Long Term</b>	-	-



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		979.81	979.81
Reserves & Retained Earning		(1,586.85)	(1,650.63)
<b>Total Equity</b>		<b>(607.03)</b>	<b>(670.82)</b>
<b>LIABILITIES</b>			
Total Borrowings		543.03	565.96
Deposits (COD/COM/COM)		94.05	97.05
Other Liabilities		713.74	709.53
<b>Total Liabilities</b>		<b>1,350.82</b>	<b>1,372.54</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>743.78</b>	<b>702.72</b>
<b>ASSETS</b>			
Fixed Assets		66.12	21.16
Financing Assets		0.38	0.38
Investments		59.10	62.07
Other Assets		618.18	619.11
<b>Total Assets</b>		<b>743.78</b>	<b>702.72</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		1.38	1.40
Current Ratio (x)		0.48	0.47
Break-up Value (Rs.)		(13.44)	(15.12)
Return on Equity %		-	-
Return on Assets %		3.65	(7.50)

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Financing Assets		4.02	9.75
Capital Gain on Investment		2.14	1.31
Dividend Income		0.01	0.01
Other Income		29.84	0.92
<b>Total Income</b>		<b>36.01</b>	<b>11.99</b>
<b>EXPENSES</b>			
Operating expenses		56.53	39.98
Financial expenses		43.44	35.89
Reversal of bad debts/impairments/write-off		(76.31)	(11.62)
Provision for impairment on investment		-	-
WAF		-	-
<b>Total Expenses</b>		<b>23.88</b>	<b>84.26</b>
<b>Profit Before Tax</b>		<b>12.35</b>	<b>(52.26)</b>
Taxation		(14.82)	0.41
<b>Net Profit</b>		<b>27.17</b>	<b>(52.87)</b>
<b>Dividend Payment (Rs.)</b>		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		0.60	(1.17)
Dividend per Share (%)		-	-

# SECURITY LEASING CORPORATION LIMITED



**Ms. Farah Azeem**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. M R Khan	: Chairman
Ms. Farah Azeem	: Chief Executive Officer
Mr. Muhammad Riaz Khokhar	: Director
Mr. Javed Haleem	: Director
Mr. Azim Azfar	: Director
Mr. Sharif Khawaja	: Director
Mr. Ghulam Raza Dahraj	: Director
Mr. Ramzan Behrani	: Director

## COMPANY INFORMATION

Security Leasing Corporation Limited ("the Company") was incorporated in Pakistan on December 6, 1993 and commenced its operations on May 21, 1995. The Company is a Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and engaged in the business of leasing.

The registered office of the Company is situated at Block-B, 5th Floor, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi. The Company is listed on Pakistan Stock Exchange Limited.

## CORPORATE INFORMATION

Commenced Business on	: May 21, 1995
Head Office	: Block-B, 5th Floor, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi
Tel	: (92-21) 35660307-08, 35660312-13
Email	: <a href="mailto:sic@selease.com">sic@selease.com</a>
Website	: <a href="http://www.selease.com">www.selease.com</a>
Offices at	: Karachi and Lahore
Listed at	: Pakistan Stock Exchange Limited
Auditors	: J.A.S.B & Associates, Chartered Accountants
Legal Advisors	: M/s. Abdul Karim Khan & Company, Advocates, Solicitors & Legal Advisor

## KEY PERSON

Ms. Farah Azeem	: Chief Executive Officer
Mr. Muhammad Farooq	: Company Secretary

## CREDIT RATING

Short Term	-	Rating Agency
Long Term	-	-

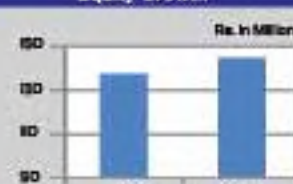
## Balance Sheet Growth



## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		438.03	438.03
Reserves & Retained Earning		(320.86)	(293.24)
<b>Total Equity</b>		<b>117.17</b>	<b>144.79</b>
<b>LIABILITIES</b>			
Total Borrowings		360.96	342.57
Deposits (COD/COD/COM)		-	-
Other Liabilities		173.65	198.52
<b>Total Liabilities</b>		<b>534.60</b>	<b>541.09</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>669.77</b>	<b>686.88</b>
<b>ASSETS</b>			
Fixed Assets		64.30	66.95
Financing Assets		251.40	273.07
Investments		-	-
Other Assets		341.08	345.85
<b>Total Assets</b>		<b>669.77</b>	<b>686.88</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		4.61	3.74
Current Ratio (x)		0.53	0.59
Break-up Value (Rs.)		2.67	3.31
Return on Equity %		(25.25)	24.17
Return on Assets %		(4.11)	3.61

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Financing Assets		9.54	12.99
Capital Gain on Investment		-	-
Dividend Income		-	-
Other Income		(18.09)	130.19
<b>Total Income</b>		<b>(8.68)</b>	<b>143.18</b>
<b>EXPENSES</b>			
Operating expenses		15.01	24.34
Financial expenses		1.30	0.56
Provision for bad debts / Impairments		-	25.99
Provision for Impairment on Investment		-	-
WAF		-	-
<b>Total Expenses</b>		<b>16.31</b>	<b>50.89</b>
<b>Profit Before Tax</b>		<b>(24.87)</b>	<b>92.29</b>
Taxation		2.75	66.29
<b>Net Profit</b>		<b>(27.81)</b>	<b>28.00</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		(0.76)	0.72
Dividend per Share (%)		-	-



# SINDH LEASING COMPANY LIMITED

IN MEMORY OF ESTABLISHED MASTERSHIPS BEHINDS BEHIND

**SINDH LEASING**



**Mr. Muhammad Bilal Sheikh**  
Chief Executive Officer

## BOARD OF DIRECTORS

<b>Mr. Muhammad Shahid Murtuza</b>	: Non Executive Director
<b>Mr. Najam A. Shah</b>	: Non-Executive Director
<b>Mrs. Masooma Hussain</b>	: Non-Executive Director
<b>Mr. Naim Farooqui</b>	: Non-Executive Director
<b>Mr. Muhammad Aftab Alam</b>	: Independent Non-Executive Director
<b>Mr. Muhammad Raja Abbas</b>	: Non-Executive Director
<b>Mr. Muhammad Bilal Sheikh</b>	: Chief Executive (Executive Director)

## COMPANY INFORMATION

Sindh Leasing Company Limited (the Company) was incorporated in Pakistan on December 16, 2013 as an unlisted public company under the repealed Companies Ordinance, 1984. The Company was granted licence on March 27, 2014 to carry out leasing business as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Established and Regulations) Rules, 2003. The registered office of the Company is situated at 3rd Floor, Imperial Court Building, Dr. Ziauddin Ahmad Road, Karachi

100% shares of the Company are held by the Government of Sindh.

## CORPORATE INFORMATION

<b>Commenced Business on</b>	: March 27, 2014
<b>Head Office</b>	: 3rd Floor, Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi.
<b>Tel</b>	: (92-21) 35640701-3
<b>Fax</b>	: (92-21) 35640704
<b>Email</b>	: info@sindhleasingltd.com
<b>Website</b>	: www.sindhleasingltd.com
<b>Offices at</b>	: Karachi, Larkana/Naudero, Hyderabad, Islamabad & Lahore
<b>Listed at</b>	: Pakistan Stock Exchange Limited
<b>Auditors</b>	: BDO Ebrahim & Co., Chartered Accountants
<b>Legal Advisors</b>	: Muhammad Nadeem Khan

## KEY PERSON

<b>Mr. Muhammad Bilal Sheikh</b>	: Chief Executive Officer
<b>Mr. Rehan Anjum</b>	: CFO & Company Secretary
<b>Syed Farrukh Hussain</b>	: Head of LT
<b>Mr. Amer F. Lodhi</b>	: Head of Liabilities
<b>Ms. Sanam Nizar</b>	: Compliance Officer
<b>Saeed Atta Abbas</b>	: Regional Marketing Manager - South
<b>Mr. Salman Hamid</b>	: Regional Marketing Manager - North

## CREDIT RATING

Rating Watch Developing status in view of the impending merger with Sindh Bank Limited.

Rating Agency

VIS Credit Rating Company Limited

## Balance Sheet Growth



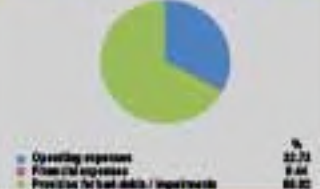
## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		3,500.00	3,500.00
Reserves & Retained Earning		26.85	212.09
<b>Total Equity</b>		<b>3,626.85</b>	<b>3,712.09</b>
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (CDD/COV/COM)		31.70	23.90
Other Liabilities		535.23	543.32
<b>Total Liabilities</b>		<b>570.93</b>	<b>567.22</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>4,097.79</b>	<b>4,279.31</b>
<b>ASSETS</b>			
Fixed Assets		17.26	23.27
Financing Assets		3,009.16	3,373.39
Investments		490.99	453.96
Other Assets		580.37	428.69
<b>Total Assets</b>		<b>4,097.79</b>	<b>4,279.31</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.00	0.15
Current Ratio (x)		7.18	16.61
Break-up Value (Rs.)		10.08	10.61
Return on Equity %		(5.25)	1.71
Return on Assets %		(4.52)	1.73

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Financing Assets		367.50	218.04
Income on Investment		87.81	61.20
Dividend Income		-	-
Other Income		0.48	0.95
<b>Total Income</b>		<b>465.79</b>	<b>280.19</b>
<b>EXPENSES</b>			
Operating expenses		207.97	177.87
Financial expenses		2.81	14.12
Provision for bad debts / Impairments		424.55	13.16
Provision for impairment on Investment		-	-
WWF		-	-
<b>Total Expenses</b>		<b>635.33</b>	<b>205.15</b>
<b>Profit Before Tax</b>		<b>(169.55)</b>	<b>75.04</b>
Taxation		5.69	11.70
<b>Net Profit</b>		<b>(185.24)</b>	<b>86.74</b>
Dividend Payment (Rs.)		-	-
<b>SIGNIFICANT RATIOS</b>			
Earning per Share (Rs.)		(0.53)	0.28
Dividend per Share (%)		-	-



# SINDH MODARABA

MEMBER OF SHARIAH MODARABA ASSOCIATION OF PAKISTAN  
**SINDH MODARABA**



**Mr. Muhammad Naimuddin Farooqui**  
Chief Executive Officer

## BOARD OF DIRECTORS

Mr. Muhammad Bilal Shalkh	: Chairman - Non-Executive Director
Mr. Najam Ahmed Shah	: Non-Executive Director
Mr. Muhammad Shahid Murtaza	: Non-Executive Director
Mr. Asif Halder Mirza	: Non-Executive Director
Mr. Kamal Ahmed	: Independent Director
Ms. Yasmin Zafar	: Independent Director
Mr. Muhammad Naimuddin Farooqui	: Chief Executive Officer

## COMPANY INFORMATION

Sindh Modaraba, listed on Pakistan Stock Exchange Limited, commenced its business operation since 9th February, 2015 and is managed by Sindh Modaraba Management Limited having paid-up Capital of Rs.1 billion. The registered office of Sindh Modaraba is 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.

Modaraba is a perpetual, multi-purpose and multi-dimensional Modaraba and is primarily engaged in providing Shariah compliant financing facilities to credit worthy customers.

## CORPORATE INFORMATION

Commenced Business on	: February 09, 2015
Head Office	: 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.
Tel	: (92-21) 35640708-9
Fax	: (92-21) 35640711
Email	: info@sindhmodarabald.com
Website	: www.sindhmodarabald.com
Offices at	: Karachi & Lahore
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Grant Thomson Anjum Rahman, Chartered Accountants
Legal Advisors	: Mohsin Tayebaly & Co.
Shariah Advisor	: Mufti Zeeshan Abdul Atz

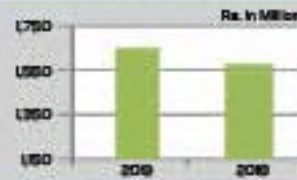
## KEY PERSON

Mr. Muhammad Naimuddin Farooqui	: Chief Executive Officer
Mr. Zulfiqar Ali	: CFO & Company Secretary

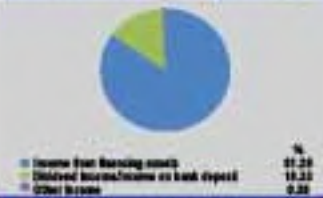
## CREDIT RATING

Short Term	A-1	Rating Agency
Long Term	A+	VIS Credit Rating Company Limited

## Balance Sheet Growth



## Revenue Analysis (2018-19)



## Equity Growth



## Cost Analysis (2018-19)



## PERFORMANCE HIGHLIGHT 2018-2019

BALANCE SHEET		Jun-19	Jun-18
(Rupees in Million)			
<b>EQUITY</b>			
Issued, Subscribed & Paid up Capital		450.00	450.00
Reserves & Retained Earning / Interest free loan		613.05	555.79
<b>Total Equity</b>		<b>1,063.05</b>	<b>1,015.79</b>
<b>LIABILITIES</b>			
Total Borrowings		-	-
Deposits (COO/COM/COM)		-	-
Other Liabilities		575.23	553.64
<b>Total Liabilities</b>		<b>575.23</b>	<b>553.64</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,638.27</b>	<b>1,569.43</b>
<b>ASSETS</b>			
Fixed Assets		3.25	4.18
Financing Assets		666.72	687.15
Investments		150.00	130.00
Other Assets		809.30	748.09
<b>Total Assets</b>		<b>1,639.27</b>	<b>1,569.43</b>
<b>SIGNIFICANT RATIOS</b>			
Gearing (x)		0.54	0.55
Current Ratio (x)		2.11	1.98
Break-up Value (Rs.)		12.51	11.47
Return on Equity %		7.81	5.24
Return on Assets %		5.06	4.03

## PROFIT & LOSS

PROFIT & LOSS		Jun-19	Jun-18
(Rupees in Million)			
<b>INCOME</b>			
Income from Financing Assets		123.97	131.22
Capital Gain on Investment		-	-
Dividend Income / Income on Bank Deposits		27.95	22.60
Other Income		0.57	1.00
<b>Total Income</b>		<b>152.49</b>	<b>154.81</b>
<b>EXPENSES</b>			
Operating expenses		69.57	100.71
Financial expenses		-	-
Provision for bad debts / Impairments		0.12	0.67
Provision for Impairment on Investment		-	-
WWF		1.66	1.07
<b>Total Expenses</b>		<b>71.35</b>	<b>102.45</b>
<b>Profit Before Tax</b>		<b>81.15</b>	<b>52.36</b>
Taxation		-	-
<b>Net Profit</b>		<b>81.15</b>	<b>52.36</b>
Dividend Payment (Rs.)		60.75	33.75
<b>SIGNIFICANT RATIOS</b>			
Earning per Certificate (Rs.)		1.80	1.16
Dividend per Certificate (%)		13.50	7.50

# SME LEASING LIMITED



**Abdul Waseem**  
Chief Executive Officer (Acting)

## BOARD OF DIRECTORS

Mr. Bilal Muelata	: Chairman
Mr. Dilshad Ali Ahmed	: Director
Mr. Javed Mahmood	: Director
Mr. Mohammad Farrukh Mansoor Malik	: Director
Mr. Mohammad Mubeen Mufli	: Director
Ms. Darakshan S. Vohra	: Director
Mr. Abdul Waseem	: Director / Chief Executive Officer (Acting)

## COMPANY INFORMATION

SME Leasing Limited (the Company) was incorporated in Pakistan on July 12, 2002 as an unlisted public company and acquired the status of a listed company on December 13, 2006. The company is a subsidiary of SME Bank Limited, which holds 73.14% (31 December 2014: 73.14%) of the Company's share. At the time of incorporation, the company was a wholly owned subsidiary of SME Bank Limited, whereby under an arrangement the assets and liabilities of the leasing division of SME Bank Limited were transferred to the Company on 28 January 2003. The company registered office is situated at 56-F Nizam-ul-Din Road, Blue Area, Islamabad. The core objective of the company is to extend lease and working capital financing facilities to small and medium enterprises of the country.

## CORPORATE INFORMATION

Commenced Business on :	January 28, 2003
Head Office	: 304, 3rd Floor, Business Arcade, Shahrah-e-Faisal, Karachi.
Tel	: (92-21) 34322126-129
Fax	: (92-21) 34322082
Email	: info@smelease.com
Website	: www.smelease.com
Offices at	: Karachi, Hyderabad, Lahore, Islamabad, Skatort and Peshawar
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Grant Thornton Anjum Rehman, Chartered Accountants
Legal Advisors	: Mohsin Tayebaly & Company, Advocate & Legal Consultant

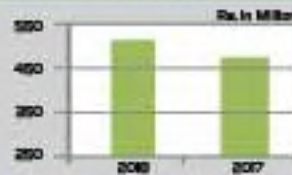
## KEY PERSON

Mr. Abdul Waseem	: Chief Executive Officer (Acting)
Mr. M. Shahzad	: Company Secretary & CFO
Mr. Asad Ali	: Internal Auditor

## CREDIT RATING

Short Term	B	Rating Agency
Long Term	B	Pakistan Credit Rating Agency

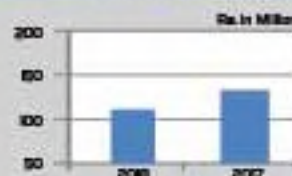
## Balance Sheet Growth



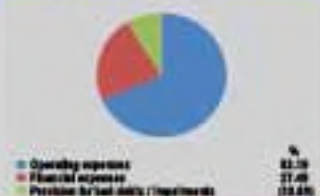
## Revenue Analysis (2018)



## Equity Growth



## Cost Analysis (2018)



## PERFORMANCE HIGHLIGHT 2017-2018

### BALANCE SHEET

	Dec-18	Dec-17
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	320.00	320.00
Reserves & Retained Earning	(208.32)	(186.75)
<b>Total Equity</b>	<b>111.68</b>	<b>133.25</b>
<b>LIABILITIES</b>		
Total Borrowings	141.56	110.35
Deposits (COO/COM/COM)	-	-
Other Liabilities	255.76	234.04
<b>Total Liabilities</b>	<b>397.32</b>	<b>344.39</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>509.00</b>	<b>477.64</b>
<b>ASSETS</b>		
Fixed Assets	5.08	6.50
Financing Assets	492.41	464.29
Investments	-	-
Other Assets	11.51	6.86
<b>Total Assets</b>	<b>509.00</b>	<b>477.64</b>
<b>SIGNIFICANT RATIOS</b>		
Gearing (x)	3.56	0.28
Current Ratio (x)	0.79	0.70
Break-up Value (Rs.)	3.49	4.16
Return on Equity %	(17.44)	(15.51)
Return on Assets %	(4.33)	(4.19)

### PROFIT & LOSS

	Dec-18	Dec-17
(Rupees in Million)		
<b>INCOME</b>		
Income from leasing operations	31.16	26.67
Capital Gain on Investment	-	-
Dividend Income	-	-
Other Income	0.29	0.69
<b>Total Income</b>	<b>31.45</b>	<b>27.36</b>
<b>EXPENSES</b>		
Operating expenses	43.64	40.55
Financial expenses	14.42	10.32
Provision / (Reversal)	(5.60)	(1.33)
Provision for Impairment on Investment	-	-
WWF	-	-
<b>Total Expenses</b>	<b>62.46</b>	<b>49.64</b>
(Loss) / Profit Before Tax	(21.01)	(22.18)
Taxation	0.35	0.33
<b>Net (Loss) / Profit</b>	<b>(21.38)</b>	<b>(22.61)</b>
Dividend Payment (Rs.)	-	-
<b>SIGNIFICANT RATIOS</b>		
Earning per Share (Rs.)	(0.67)	(0.70)
Dividend per Share (%)	-	-



# TRUST MODARABA



**Mr. Basheer Ahmed Chowdry**  
Chief Executive Officer

## BOARD OF DIRECTORS

Shahkh Arshad Farooq	:	Chairman
Mr. Basheer Ahmed Chowdry	:	Chief Executive
Mr. Etrat Hussain Rizvi	:	Director
Mr. Mohammad Imranul Haque	:	Director
Mr. Sohail Ansar	:	Director
Dr. Namoon Baquar	:	Director
Syed Shahnawaz A. Rizvi	:	Director

## COMPANY INFORMATION

Trust Modaraba was formed in Pakistan under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and being managed by Al-Zamin Modaraba Management (Private) Limited (AZMML). The Modaraba is perpetual, multi-purpose and multi-dimensional, engaged in the business of Murabahah, Musharakah, Leasing (Ijarah), investment in marketable securities, tradings and other permissible businesses. The Modaraba commenced its business operations in November 1991. The principal place of business and registered office is located at 104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi - 75600 while regional office is located at 301-302, 3rd Floor, Garden Heights, 8- Aibak Block, New Garden Town, Lahore. It is listed on the Pakistan Stock Exchange Limited.

## CORPORATE INFORMATION

Commenced Business on :	November 12, 1991
Head Office	: 104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi
Tel	: (92-21) 35876651-2
Fax	: (92-21) 35870408
Email	: info@trustmodaraba.com
Website	: www.trustmodaraba.com
Offices at	: Karachi, Lahore and Gujranwala
Listed at	: Pakistan Stock Exchange Limited
Auditors	: Horwath Hussain Chaudhury & Co., Chartered Accountants
Legal Advisors	: Salim & Baig, Advocate Shakeel Ahmed Awan, Advocate S&B Durani Law Associates Sameera Uslo & Associates
Shariah Advisor	: Mufti Muhammad Zubair Usmani

## KEY PERSON

Mr. Basheer Ahmed Chowdry	:	Chief Executive
Ms. Hamida Aqeel	:	Chief Operating Officer/Company Secretary
Mr. Ijaz Ahmed Khan	:	Chief Financial Officer/Regional Head
Ms. Roomana Nasir	:	Head of Human Resources

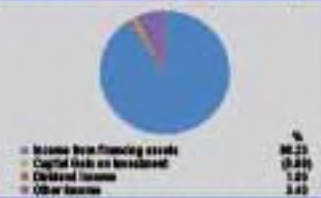
## CREDIT RATING

Short Term	A-3	Rating Agency
Long Term	BBB-	VIS Credit Rating Company Limited

## Balance Sheet Growth



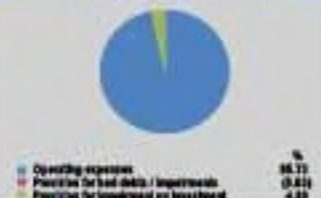
## Revenue Analysis (2018-18)



## Equity Growth



## Cost Analysis (2018-18)



## PERFORMANCE HIGHLIGHT 2018-2019

### BALANCE SHEET

	Jun-19	Jun-18
(Rupees in Million)		
<b>EQUITY</b>		
Issued, Subscribed & Paid up Capital	298.00	298.00
Reserves & Retained Earning	5.87	8.00
<b>Total Equity</b>	<b>303.87</b>	<b>308.00</b>
<b>LIABILITIES</b>		
Total Borrowings	-	-
Deposits (COD/COV/COM)	-	-
Other Liabilities	67.40	71.33
<b>Total Liabilities</b>	<b>67.40</b>	<b>71.33</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>371.27</b>	<b>377.34</b>
<b>ASSETS</b>		
Fixed Assets	12.26	22.91
Financing Assets	275.42	290.73
Investments	13.70	18.25
Other Assets	69.88	85.44
<b>Total Assets</b>	<b>371.27</b>	<b>377.34</b>

### SIGNIFICANT RATIOS

	Jun-19	Jun-18
Gearing (x)	0.22	0.23
Current Ratio (x)	5.32	4.77
Break-up Value (Rs.)	10.20	10.27
Return on Equity %	0.28	0.63
Return on Assets %	0.03	0.54

### PROFIT & LOSS

	Jun-19	Jun-18
(Rupees in Million)		
<b>INCOME</b>		
Income from Financing Assets	59.25	61.60
Capital Gain on Investment	(0.42)	0.67
Dividend Income	0.63	0.59
Other Income	2.11	2.02
<b>Total Income</b>	<b>61.58</b>	<b>64.88</b>
<b>EXPENSES</b>		
Operating expenses	57.80	60.67
Financial expenses	-	-
Provision for bad debts / Impairments	(0.38)	0.14
Provision for Impairment on Investment	2.96	2.04
WWF	-	-
<b>Total Expenses</b>	<b>60.38</b>	<b>62.84</b>
Profit Before Tax	1.20	2.03
Taxation	0.16	0.11
<b>Net Profit</b>	<b>1.04</b>	<b>1.82</b>
Dividend Payment (Rs.)	-	-
<b>SIGNIFICANT RATIOS</b>		
Earning per Certificate (Rs.)	0.03	0.06
Dividend per Certificate (%)	-	-



**NBFI & Modaraba**  
Association of Pakistan



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# **Glossary**



## Glossary – Islamic Modes of Financing

Bay	Stands for sale. It is often used as a prefix in referring to different sales-based modes of Islamic finance, such as murabahah, istisna' and salam.
Bay -al- arbun	A sales contract, in which a down payment is given and the parties commit themselves to the agreed conditions. The final contract is concluded upon full payment. The buyer has the right to cancel the sale, but then he loses the down payment.
Bay-al-ayan	Sale of tangible objects such as goods (as against sale of services or rights).
Bay 'al-dayn	Sale of debt. According to a large majority of fuqaha', debt cannot be sold for money except at its face value, but it can be sold for goods and services.
Bay al-madum	Sale of a commodity which does not exist. Such a contract of sale is prohibited.
Bay al-innah	Selling of something to someone at a given price (usually on credit) and then buying it back from him at the same time at a different price (usually for a lower price, but cash). This kind of sale and buy-back is prohibited because it effectively means exchanging a given amount of money for a different amount of money, which amounts to riba. It can be used as a subterfuge for riba dealings.
Bay al-salam	A sale in which payment is made in advance by the buyer and the delivery of the goods is deferred by the seller.
Bay mu ajjal	Sale on credit (i.e. a sale in which goods are delivered immediately but payment is deferred).
Fiqh	Refers to the whole corpus of Islamic jurisprudence. In contrast to conventional law, fiqh covers all aspects of life, religious, political, social, commercial or economic. The whole corpus of fiqh is based primarily on interpretations of the Our'an and the Sunnah and secondarily on ijma (consensus) and ijihad (individual judgement). While the Our'an and the Sunnah are immutable, fiqhi verdicts may change due to changing circumstances.
Gharar	Literally, it means deception, danger, risk and uncertainty. Technically it means exposing oneself to excessive risk and danger in a business transaction as a result of uncertainty about the price, the quality and the quantity of the counter-value the date of delivery, the ability of either the buyer or the seller to fulfill his commitment, or ambiguity in the terms of the deal, thus exposing either of the two parties to unnecessary risks.

Gharar Fahish	Gharar (for definition, see above) is of two kinds. Gharar yasir and Gharar fahish.
Gharar yasir	A little bit of gharar. This is tolerable because it may be unavoidable.
Hadith	Sayings, deeds and endorsements of the Prophet Muhammad (peace be upon him) narrated by his Companions.
Halal	Things or activities permitted by the Shariah.
Hanafi	A school of Islamic jurisprudence named after Imam Abu Hanifa.
Hanbali	A school of Islamic jurisprudence named after Imam Ahmed bin Hanbal.
Haram	Things or activities prohibited by the Shariah.
Hilah (Plural hiyal)	Legal trick or device to avoid imposition of a law in a particular case.
Ijarah	Leasing. Sale of usufruct of an asset. The lessor retains the ownership of the asset with all the rights and the responsibilities that go with ownership.
Ijarah muntahiyah bil-tamlik	Lease ending in ownership.
Ijma	A consensus (of fuqaha). Ijma is one of the sources of Islamic law.
Ijtihad	In technical terms, it refers to the endeavor of a jurist to derive a rule or reach a judgment based on evidence found in the Islamic sources of Law, predominantly the Quran and the Sunnah.
Illah	Reason/characteristic behind a Shariah ruling such that if a particular reason/ characteristic is found in other instances, the same ruling will apply. Istisna (used as a short form for bay al-istisna) Refers to a contract whereby a manufacturer (contractor) agrees to produce (build) and deliver a well-described good (or premise) at a given price on a given date in the future. As against salam, in istisna the price need not be paid in advance. It may be paid in installments in step with the preferences of the parties or partly at the front end and the balance later on as agreed.
Khiyar	Option
Khiyar al-ayb	Option to rescind a sales contract if a defect is discovered in the object of sale.

Khiyar al-shart	The option to rescind a sales contract based on some conditions. One of the parties to a sales contract may stipulate certain conditions which, if not met, would grant a right to the stipulating party to rescind the contract.
Mal	Asset, property.
Maqasid al-Shariah	Basic objectives of the Shariah. These are protection of faith, life, progeny, property and reason.
Maysir	Literally, it refers to an ancient Arabian game of chance with arrows used for stakes of slaughtered animals. Technically, gambling or any game of chance.
Muamalat	Relationships / contracts among human beings (as against 'ibadat, which define relationship between God and His creatures).
Mudarabah	A contract between two parties, \ capital owner(s) or financiers (called rabb at-mal; and an investment manager (called mudarib. Profit is distributed between the two parties in accordance with the ratio upon which they agree at the time of the contract. Financial loss is borne only by the financier(s). The entrepreneur's loss lies in not getting any reward for his services.
Mudarib	An investment manager in a mudarabah contract.
Murabahah	Sale at a specified profit margin. The term, however, is now used to refer to a sale agreement whereby the seller purchases the goods desired by the buyer and sells them at an agreed marked-up price, the payment being settled within an agreed time frame, either in installments or in a lump sum. The seller bears the risk for the goods until they have been delivered to the buyer. Murabahah is also referred to as bay Muajjal.
Musharakah	Partnership. A musharakah contract is similar to a mudarabah contract, the difference being that in the former both the partners participate in the management and the provision of capital, and share in the profit and loss. Profits are distributed between the partners in accordance with the ratios initially set, whereas loss is distributed in proportion to each one's share in the capital.
Nas	Text from Qur'an or Sunnah.
Qimar	Gambling



# **Members Directory**



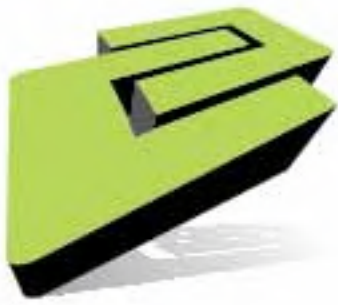
## Members Directory

S. No.	Name	S. No.	Name
1	<b>Allied Rental Modaraba</b> <b>Murtaza Ahmed Ali</b> Chief Executive Officer 21/3, Sector-22, Korangi Industrial Area, Karachi. Tel: 35066901-13, 111-250-250 Fax: 35066915-16 E-mail: rental@aesl.com.pk Website: www.arm.com.pk	2	<b>Awwal Modaraba</b> <b>Karim Hatim</b> Chief Executive Officer 6 <sup>th</sup> Floor, Horizon Vista, Plot Commercial No.10, Block-4, Scheme-5, Clifton, Karachi. Tel: 38771685 Fax: 35374275 E-mail: info@awwal.com.pk Website: www.awwal.com.pk
3	<b>B.F. Modaraba</b> <b>Muhammad Omar Amin Bawary</b> Chief Executive Officer Plot No. 43-1-E, Block-6, PECHS, Off Razi Road, Shahrah-e-Faisal, Karachi, Pakistan UAN: (92-21) 111-229-289 Fax : (92-21) 34322864 E-mail: info@bfmodaraba.com.pk Website: www.bfmodaraba.com.pk	4	<b>B.R.R. Guardian Modaraba</b> <b>Ayaz Dawood</b> Chief Executive Officer 16 <sup>th</sup> Floor, B.R.R. Tower, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi. Tel: 32602401-06 Fax: 32271912 Email: brr@firstdawood.com Website: www.firstdawood.com/brr
5	<b>Capital Assets Leasing Corporation Limited</b> <b>Irfan Ahmad</b> Chief Executive Officer D-131/A, Block-4, Clifton, Karachi. Tel: 38771130 E-mail: calcorp@optimus.com.pk Website: www.calcorp.com.pk	6	<b>Escorts Investment Bank Limited</b> <b>Naveed Amin</b> Chief Executive Officer Alfalah Building, 1 <sup>st</sup> Floor, Sector-B, Bahria Town, Mohlanwal, Lahore. Tel: 35341845-6 E-mail: info@escortsbank.net Website: www.escortsbank.net
7	<b>Finja Lending Services Limited</b> <b>Kamran Aslam Zuberi</b> Director/CEO Finja House, 2-A, Zafar Ali Road, Gulberg V, Lahore. Tel: 35775786 Email: info@finja.pk Website: www.finja.pk	8	<b>First Al-Noor Modaraba</b> <b>Zainuddin Aziz</b> Chief Executive Officer 96-A, SMCH Society, Karachi. Tel: 34558268; 34552943; 34553087 Fax: 34553137 E-mail: info@fanm.co Website: www.fanm.co
9	<b>First Elite Capital Modaraba</b> <b>Aamir Iftikhar Khan</b> Chief Executive Officer 50-A, Garden Block, New Garden Town, Lahore. Tel: 35442735-37 Fax: 35442738 E-mail: info@fecm.com.pk Website: www.fecm.com.pk	10	<b>First Equity Modaraba</b> <b>Muhammad Adil Ghaffar</b> Chief Executive Officer B-1004, 10 <sup>th</sup> Floor, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi. Tel: 35672815-8 Fax: 35688116 E-mail: info@firstequitymodaraba.com.pk Website: www.firstequitymodaraba.com.pk
11	<b>First Fidelity Leasing Modaraba</b> <b>Wasim-ul-Haq Osmani</b> Chief Executive Officer Ground Floor, 93, B-1, Canal Park, Gulberg-II, Lahore. Tel: 35713461-64 Fax: 35759122 E-mail: info@fidelitymodaraba.com Website: www.fidelitymodaraba.com	12	<b>First Habib Modaraba</b> <b>Muhammad Shoaib Ibrahim</b> Chief Executive Officer 6 <sup>th</sup> Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. Tel: 32635949-51, UAN: 111-348-348 Fax: 32627373 E-mail: fhm@habibmodaraba.com Website: www.habibmodaraba.com



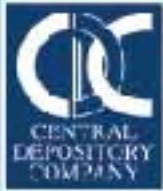
13	<p><b>First IBL Modaraba</b>  <b>Shiraz Butt</b>            Chief Executive Officer &amp; Director            Office No. 514, 5<sup>th</sup> Floor, Al-Hafeez Business Center,            89-B-III, Gulberg III, Lahore.            Tel: 35757734-35            Fax: 35757738            E-mail: <a href="mailto:ibl@firstibl.com">ibl@firstibl.com</a>            Website: <a href="http://www.firstibl.com">www.firstibl.com</a></p>	14	<p><b>First Imrooz Modaraba</b>  <b>Naveed Riaz</b>            Chief Executive Officer            405, 4<sup>th</sup> Floor, Beaumont Plaza, Beaumont Road,            Civil Line Quarter, Karachi.            Tel: 35222743-5            Fax: 35222888            E-mail: <a href="mailto:enquiries@imrooz.com">enquiries@imrooz.com</a>            Website: <a href="http://www.firstimrooz.com">www.firstimrooz.com</a></p>
15	<p><b>First National Bank Modaraba</b>  <b>Abbas Azam</b>            Chief Executive Officer            Ground Floor, NBP-RHQ Building, 26-Mclagan Road,            Lahore.            Tel: 99213245-6            Fax: 99213247            E-mail: <a href="mailto:mail@nbmodaraba.com">mail@nbmodaraba.com</a>            Website: <a href="http://www.nbmodaraba.com">www.nbmodaraba.com</a></p>	18	<p><b>First Pak Modaraba</b>  <b>Karim Hatim</b>            Chief Executive Officer            Office No. B, 5<sup>th</sup> Floor, Lakson Square Building No.1,            Sarwar Shaheed Road, Karachi.            Tel: 35830821-23, 35830825-28            E-mail: <a href="mailto:info@firstpakmodaraba.com">info@firstpakmodaraba.com</a>            Website: <a href="http://www.firstpakmodaraba.com">www.firstpakmodaraba.com</a></p>
17	<p><b>First Paramount Modaraba</b>  <b>Syed Wajih Hassan</b>            Chief Executive Officer            107-108, PECHS Community Hall, Block-2, PECHS,            Shahrah-e-Quaideen, Karachi.            Tel: 34381037-38-52            Fax: 34534410            E-mail: <a href="mailto:info@fpm.com.pk">info@fpm.com.pk</a>            Website: <a href="http://www.fpm.com.pk">www.fpm.com.pk</a></p>	18	<p><b>First Prudential Modaraba</b>  <b>Karim Hatim</b>            Chief Executive Officer            Office No. B, 5<sup>th</sup> Floor, Lakson Square Building No.1,            Sarwar Shaheed Road, Karachi.            Tel: 35830821-23, 35830825-28            E-mail: <a href="mailto:info@firstprudentialmodaraba.com">info@firstprudentialmodaraba.com</a>            Website: <a href="http://www.firstprudentialmodaraba.com">www.firstprudentialmodaraba.com</a></p>
19	<p><b>First Punjab Modaraba</b>  <b>Aamir Malik</b>            Chief Executive Officer            Office No.100, 3<sup>rd</sup> Floor, National Tower, 28-Egerton            Road, Lahore.            Tel: 36305131, 36302181            E-mail: <a href="mailto:info@punjabmodaraba.com.pk">info@punjabmodaraba.com.pk</a>            Website: <a href="http://www.punjabmodaraba.com.pk">www.punjabmodaraba.com.pk</a></p>	20	<p><b>First Treet Manufacturing Modaraba</b>  <b>Syed Shahid Ali</b>            Chief Executive Officer            72-B, Kotlakhpat Industrial Area, Lahore.            Tel: 35830881, 35158567            Fax: 35114127, 35117650            E-mail: <a href="mailto:info@treetonline.com">info@treetonline.com</a>            Website: <a href="http://www.treetgroup.com">www.treetgroup.com</a></p>
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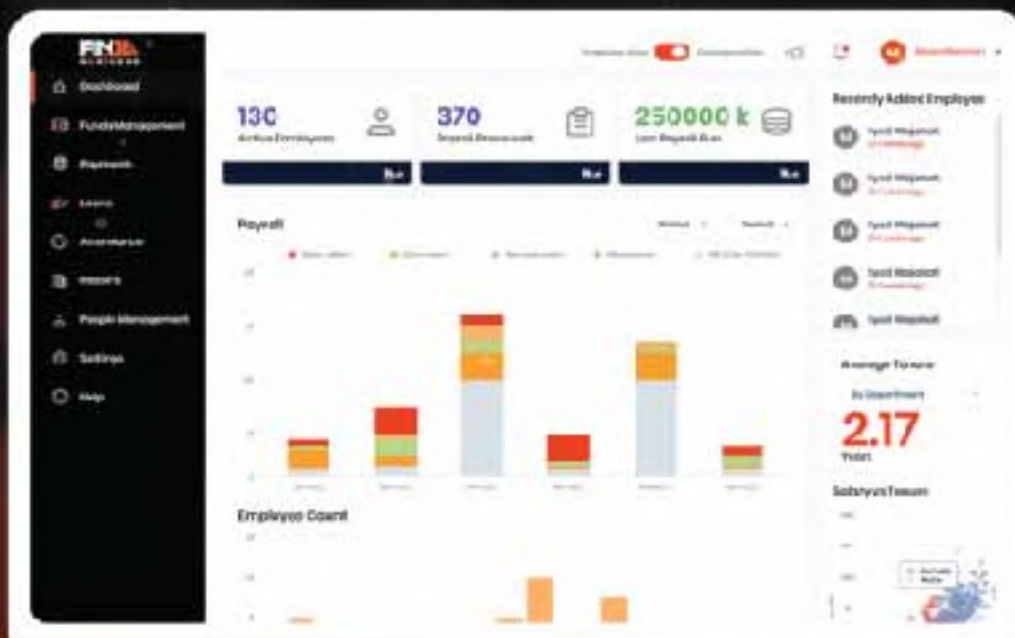
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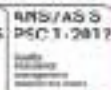
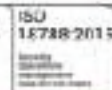
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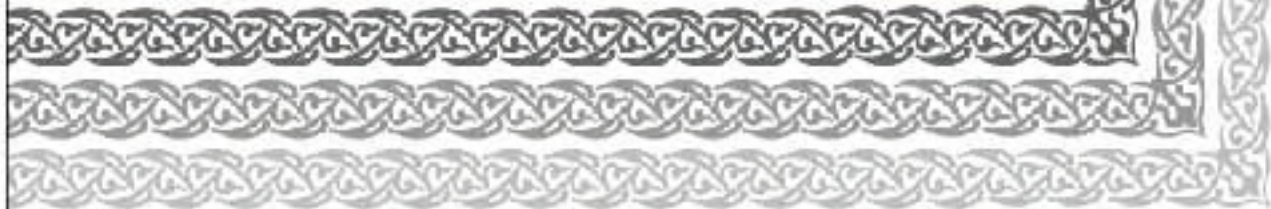


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