



**FIRST  
PUNJAB  
MODARABA**

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# Half Yearly Accounts

For Half Year Ended  
December 31, 2008



**FIRST PUNJAB MODARABA**

Managed by:

**Punjab Modaraba Services (Pvt) Ltd.**

(A wholly owned subsidiary of The Bank of Punjab)

152- Abubakar Block, New Garden Town, Lahore - Pakistan

PABX: 042-5913609-14 Fax: 042-5913615

Web: [www.punjabmodaraba.com.pk](http://www.punjabmodaraba.com.pk)

## **CORPORATE PROFILE**

### **BOARD OF DIRECTORS**

Punjab Modaraba Services (Pvt.) Ltd.

Khalid Siddiq Tirmizey

Chairman

Naveed Masud

Director

Nadeem Amir

Director

Fawzi Khawaja

Chief Executive/Director

### **COMPANY SECRETARY & CHIEF FINANCIAL OFFICER**

Mudassar Kaiser Pal

### **AUDIT COMMITTEE**

Nadeem Amir

Chairman

Naveed Masud

Member

### **AUDITORS OF MODARABA**

KPMG Taseer Hadi & Co.

Chartered Accountants

### **AUDITORS OF MANAGEMENT COMPANY**

Hameed Chaudhry & Co.

Chartered Accountants

### **BANKERS**

The Bank of Punjab

Faysal Bank Limited

Bank Alfalah Limited

Emirates Global Bank Limited

### **REGISTRAR**

Hameed Majeed Associates (Pvt.) Ltd.

H. M. House, 7- Bank Square,

The Mall, Lahore.

Tel: (042) 7235081-2

### **REGISTERED OFFICE**

152- AbuBakar Block,

New Garden Town, Lahore (PAKISTAN)

PABX: 0425913609-14 Fax: 042-5913615

E-mail: [info@punjabmodaraba.com.pk](mailto:info@punjabmodaraba.com.pk)

Web: [www.punjabmodaraba.com.pk](http://www.punjabmodaraba.com.pk)

## **DIRECTORS' REPORT**

On Behalf of the Board of Directors of Punjab Modaraba Services (Pvt.) Limited, the Management Company of First Punjab Modaraba (the Modaraba), I feel pleasure in presenting half yearly results of the Modaraba together with Directors' report, for the half year ended December 31, 2008.

During the period under review, the economy remained under immense pressure. All economic indicators remained negative. The financial sector was severely hit by liquidity crunch and rising borrowing cost. The stock market also shed significant value due to outflow of foreign investment and negative sentiment prevailing in the market.

The Modaraba also faced adverse implications on account of the above during the period under consideration. The negative impact on profit continued due to change in accounting estimate i.e depreciation method from annuity to straight line, pursuant to adoption of Islamic Financial Accounting Standard IFAS – 2. Customer behavior and repayment patterns / cash flows were all affected thereby delaying recoveries.

Despite all these factors, the Modaraba has done well to limit its losses. It is pertinent to note that the Modaraba has taken steps to overcome the adversity in market which shall halt profitability decline and we hope to recover most of the lost profitability of first half of the year in its second half.

The results of the Modaraba are provided in the below comparison with corresponding previous half year results and with previous year ended on June 30, 2008:

*(Rs. in million)*

	December 2008 (half year)	June 2008 (Full Year)	December 2007 (half year)	%age Increase/(Decrease) over June 2008	%age Increase/(Decrease) over December 2007
Assets	3,308.77	3,594.60	2,746.88	(7.95%)	20.45%
Deposits	900.88	1,381.34	1,177.06	(34.78%)	17.35%
Profitability	(29.22)	17.01	51.12	(271.75%)	(157.18%)
EPC/(LPC) – Rs.	(0.86)	0.50	1.50	(272.00%)	(157.33%)

The Board of Directors is grateful to the continuing guidance of the regulatory authorities and to the certificate holders for their patronage and confidence reposed in the management of the Modaraba. We would like to thank our management and staff of Modaraba for their commitment, dedication and hard work.

For and on behalf of the  
Board of Directors

**CHIEF EXECUTIVE**

## **Independent Report on Review of Condensed Interim Financial Information to the certificate holders of First Punjab Modaraba**

### *Introduction*

We have reviewed the accompanying condensed interim balance sheet of **First Punjab Modaraba** ("the Modaraba") as at 31 December 2008 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended (condensed interim financial information). Management Company of the Modaraba is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 31 December 2008 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarter ended 31 December 2008 in the condensed interim profit and loss account have not been reviewed and we do not express an opinion on them.

*Lahore:*

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**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**

First Punjab Modaraba  
Condensed Interim Balance Sheet (Un-audited)  
As at 31 December 2008

		(Un-audited) 31 December 2008 Rupees	(Audited) 30 June 2008 Rupees
<b>ASSETS</b>			
<b>Non current assets</b>			
Tangible fixed assets			
Assets leased out	5	1,587,391,368	1,802,881,556
Assets in own use		11,152,210	7,324,362
Cards and room		46,100,000	46,100,000
Long term morabaha investments - secured		10,071,989	10,784,598
Long term musharika investments - secured		6,000,000	3,059,822
Long term deposits		131,560	71,000
		<u>1,660,847,127</u>	<u>1,870,221,338</u>
<b>Current assets</b>			
Short term investments - available for sale	6	57,629,763	94,737,132
Short term morabaha investments - secured		1,233,487,027	1,329,131,237
Short term musharika investments - secured		20,000,000	20,000,000
Current maturity of long term morabaha investments		34,779,768	39,705,737
Advances, deposits, prepayments and other receivables		274,166,919	200,879,980
Tax refundable		1,606,817	1,318,207
Cash and bank balances		26,256,933	38,610,982
		<u>1,647,927,227</u>	<u>1,724,383,275</u>
		<u><u>3,308,774,354</u></u>	<u><u>3,594,604,613</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Authorised certificate capital:			
50,000,000 certificates of Rs. 10 each		<u>500,000,000</u>	500,000,000
Issued, subscribed and paid-up certificate capital			
34,020,000 certificates of Rs. 10 each		340,200,000	340,200,000
Reserves		23,919,809	103,434,695
		<u>364,119,809</u>	443,634,695
<b>Non current liabilities</b>			
Security deposits against leases		237,878,661	238,314,331
Long term musharika finances - secured		1,040,392,104	788,710,559
Long term redeemable capital - participatory and unsecured		171,000,000	100,000,000
Deferred morabaha income		2,071,989	2,784,598
		<u>1,451,342,754</u>	1,129,809,488
<b>Current liabilities</b>			
Current maturity of non current liabilities		79,082,124	94,832,194
Short term finances - secured		544,470,916	538,668,139
Short term redeemable capital - participatory and unsecured		729,882,903	1,281,345,000
Trade and other payables		139,875,848	106,315,097
		<u>1,493,311,791</u>	2,021,160,430
<b>Contingencies and commitments</b>	7	<u><u>3,308,774,354</u></u>	<u><u>3,594,604,613</u></u>

The annexed notes 1 to 11 form an integral part of this interim financial information.

\_\_\_\_\_  
**Chief Executive**  
Punjab Modaraba Services  
( Private ) Limited

\_\_\_\_\_  
**Director**  
Punjab Modaraba Services  
( Private ) Limited

\_\_\_\_\_  
**Director**  
Punjab Modaraba Services  
( Private ) Limited

# First Punjab Modaraba

## Condensed Interim Profit and Loss Account ( Un-audited )

For the six months period ended 31 December 2008

	<b>2 0 0 8</b>		<b>2 0 0 7</b>	
	<b>July to</b>	<b>October t o</b>	<b>July to</b>	<b>October t o</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
<b>INCOME</b>				
Lease rentals	<b>469,436,762</b>	<b>234,767,300</b>	220,348,126	124,803,717
Profit on morabaha finances	<b>87,876,943</b>	<b>46,853,268</b>	53,929,184	30,240,875
Profit on musharika finances	<b>1,590,144</b>	<b>1,470,025</b>	-	-
Return on investments	<b>63,580</b>	-	13,105,944	110,616
Other income	<b>7,821,222</b>	<b>4,791,276</b>	19,899,691	6,089,222
	<b>566,788,651</b>	<b>287,881,869</b>	307,282,945	161,244,430
<b>EXPENSES</b>				
Amortization of assets leased out	<b>(372,845,940)</b>	<b>(187,118,491)</b>	(140,004,757)	(71,970,413)
Operating expenses	<b>(13,160,637)</b>	<b>(8,177,712)</b>	(8,091,248)	(6,184,167)
Financial and other charges	<b>(200,010,790)</b>	<b>(101,181,326)</b>	(87,705,168)	(54,561,714)
Bad debts written off	-	-	(23,542,609)	(23,542,609)
	<b>(586,017,367)</b>	<b>(296,477,529)</b>	(259,343,782)	(156,258,903)
Operating (loss)/profit before provision and impairment	<b>(19,228,716)</b>	<b>(8,595,660)</b>	47,939,163	4,985,527
Provision for morabaha finances	<b>(10,000,000)</b>	-	(3,035,625)	(3,035,625)
Reversal for impairment on leased assets	-	-	11,891,026	11,891,026
	<b>(10,000,000)</b>	-	8,855,401	8,855,401
	<b>(29,228,716)</b>	<b>(8,595,660)</b>	56,794,564	13,840,928
Modaraba Company's management fee	-	-	(5,679,456)	(1,384,093)
<b>(Loss)/profit for the period</b>	<b>(29,228,716)</b>	<b>(8,595,660)</b>	51,115,108	12,456,835
Earnings per certificate - basic	<b>(0.86)</b>	<b>(0.25)</b>	1.50	0.37

The annexed notes 1 to 11 form an integral part of this interim financial information.

\_\_\_\_\_  
**Chief Executive**  
Punjab Modaraba Services  
( Private ) Limited

\_\_\_\_\_  
**Director**  
Punjab Modaraba Services  
( Private ) Limited

\_\_\_\_\_  
**Director**  
Punjab Modaraba Services  
( Private ) Limited

First Punjab Modaraba  
Condensed Interim Cash Flow Statement (Un-audited)  
For the six months period ended 31 December 2008

	31 December 2008	31 December 2007
	Rupees	Rupees
<b>Cash flow from operating activities</b>		
(Loss)/profit for the period	(29,228,716)	51,115,108
Adjustments for:		
Amortization of assets leased out	372,845,940	140,004,757
Depreciation of assets in own use	1,081,419	571,421
Gain on disposal of tangible fixed assets in own use	-	(2,697)
Gain on sale of investments - available for sale	-	(1,537,888)
Reversal of impairment loss on assets leased out	-	(11,891,026)
Gain on sale of assets leased out	(3,248,771)	(22,367,192)
Provision against doubtful morabaha finances	10,000,000	3,035,625
Bad debts expense	-	23,542,609
Profit on musharika finances	85,747,202	13,975,884
Profit on morabaha finances	35,767,260	13,011,588
Profit on certificates of musharika	78,496,328	60,690,584
Dividend income	(63,580)	(12,580,944)
	<b>580,625,798</b>	<b>206,452,721</b>
<b>Operating profit before working capital changes</b>	<b>551,397,082</b>	<b>257,567,829</b>
<b>Working capital changes</b>		
(Increase)/decrease in current assets:		
Short term morabaha investments	72,828,010	(302,113,303)
Advances, deposits, prepayments and other receivables	(75,579,345)	(48,923,290)
	<b>(2,751,335)</b>	<b>(351,036,593)</b>
Increase/(decrease) in current liabilities:		
Short term finances	5,802,777	103,760,751
Short term redeemable capital	(551,462,097)	239,340,000
Trade and other payables	(1,888,612)	1,407,966
	<b>(547,547,932)</b>	<b>344,508,717</b>
	<b>(550,299,267)</b>	<b>(6,527,876)</b>
<b>Cash generated from operations</b>	<b>1,097,815</b>	<b>251,039,953</b>
Profit paid on certificates of musharika	(72,658,480)	(40,370,617)
Profit paid on musharika finances	(74,309,629)	(14,949,336)
Profit paid on morabaha finances	(28,477,060)	(10,227,977)
Taxes paid	(288,610)	(489,918)
	<b>(175,733,779)</b>	<b>(66,037,848)</b>
<b>Net cash (used in)/ generated from operating activities</b>	<b>(174,635,964)</b>	<b>185,002,105</b>
<b>Cash flow from investing activities</b>		
Purchase of assets leased out	(194,089,599)	(737,617,309)
Proceeds from transfer of assets leased out	37,760,723	21,068,018
Lease security deposits received	15,670,221	53,178,614
Lease security deposits refunded/adjusted	(14,930,177)	17,086,761
Morabaha finances	3,038,285	(33,000,000)
Musharika finances	(2,940,178)	-
Purchase of fixed assets in own use	(5,047,437)	(1,048,655)
Purchase of investments available for sale	(2,292,401)	(59,785,933)
Long term deposits	(60,560)	-
Proceeds from sale of assets in own use	138,170	5,694
Proceeds from sale of investments- available for sale	-	53,754,936
Dividend received	2,355,980	14,709,981
<b>Net cash (used in)/generated from investing activities</b>	<b>(160,396,973)</b>	<b>(671,647,893)</b>
<b>Cash flow from financing activities</b>		
Musharika finances	251,681,545	505,747,425
Redeemable capital	71,000,000	-
Profit distributed among the certificate holders	(2,657)	(14,889,738)
<b>Net cash generated from/ (used in) financing activities</b>	<b>322,678,888</b>	<b>490,857,687</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(12,354,049)</b>	<b>4,211,898</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>38,610,982</b>	<b>48,221,783</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>26,256,933</b>	<b>52,433,681</b>

The annexed notes 1 to 11 form an integral part of this interim financial information.

Chief Executive  
Punjab Modaraba Services  
( Private ) Limited

Director  
Punjab Modaraba Services  
( Private ) Limited

Director  
Punjab Modaraba Services  
( Private ) Limited

First Punjab Modaraba  
Condensed Interim Statements of Changes in Equity (Un-audited)  
For the six months period ended 31 December 2008

	<b>Certificate capital</b>	<b>Statutory reserve</b>	<b>Fair value reserve</b>	<b>Unappropriated profit</b>	<b>Total</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
<b>Balance as at 1 July 2007</b>	340,200,000	105,578,017	(4,129,547)	22,329,371	<b>463,977,841</b>
Profit distribution for the year 2007 @ Re. 0.6 per certificate	-	-	-	(20,412,000)	<b>(20,412,000)</b>
Profit for the six months period ended 31 December 2007	-	-	-	51,115,108	<b>51,115,108</b>
Transfer during the period @ 20%	-	10,223,022	-	(10,223,022)	-
Net unrealized loss on investments available for sale	-	-	(12,552,195)	-	<b>(12,552,195)</b>
<b>Balance as at 31 December 2007</b>	<b>340,200,000</b>	<b>115,801,039</b>	<b>(16,681,742)</b>	<b>42,809,457</b>	<b>482,128,754</b>
<b>Balance as at 1 July 2008</b>	340,200,000	110,683,572	(21,079,211)	13,830,334	<b>443,634,695</b>
Profit distribution for the year 2008 @ Re. 0.32 per certificate	-	-	-	(10,886,400)	<b>(10,886,400)</b>
Loss for the six months period ended 31 December 2008	-	-	-	(29,228,716)	<b>(29,228,716)</b>
Net unrealized loss on investments available for sale	-	-	(39,399,770)	-	<b>(39,399,770)</b>
<b>Balance as at 31 December 2008</b>	<b>340,200,000</b>	<b>110,683,572</b>	<b>(60,478,981)</b>	<b>(26,284,782)</b>	<b>364,119,809</b>

The annexed notes 1 to 11 form an integral part of this interim financial information.

\_\_\_\_\_  
**Chief Executive**  
Punjab Modaraba Services  
( Private ) Limited

\_\_\_\_\_  
**Director**  
Punjab Modaraba Services  
( Private ) Limited

\_\_\_\_\_  
**Director**  
Punjab Modaraba Services  
( Private ) Limited

# First Punjab Modaraba

## Notes to the Interim Financial Information (Un-audited)

For the six months period ended 31 December 2008

### 1 Status and nature of business

First Punjab Modaraba (“the Modaraba”) was formed under the Modaraba Companies and Modaraba (Floatation 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 the 152 Abubakar Block, New Garden Town, Lahore. The Modaraba commenced its business operations from 23 December 1992. The Modaraba is listed on all the Stock Exchanges in Pakistan.

The Modaraba is a perpetual, multi purpose and multi dimensional modaraba and is primarily engaged in the business of leasing, musharika and morabaha financing, equity investment and other related business in accordance with the injunctions of Islam.

### 2 Basis of preparation

This condensed interim financial information is unaudited but subject to limited scope review by auditors and have been prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan relating to the Interim Financial Reporting. This interim financial information does not include all information required for full annual financial statements, and should be read in conjunction with the financial statements of the Modaraba for the year ended 30 June 2008.

This interim financial information is being submitted to the certificate holders as required under the Rule 10 of Modaraba Companies and Modaraba Rules, 1981.

### 3 Accounting policies

The accounting policies and methods of computation applied for the preparation of this interim financial information are same as those applied in preparation of the annual audited financial statements of the Modaraba for the year ended 30 June 2008.

### 4 Estimates

The preparation of this interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements for year ended 30 June 2008.

### 5 Tangible fixed assets

	<u>Assets leased out</u> Rupees	<u>Assets is own used</u> Rupees	<u>Total</u> Rupees
Book value as at 30 June 2008 (audited)	1,802,881,556	7,324,362	<b>1,810,205,918</b>
Additions during the period:	194,089,599	5,047,437	<b>199,137,036</b>
Disposal during the period:	(170,004,025)	(138,170)	<b>(170,030,025)</b>
Net amortization/depreciation	(239,575,762)	(1,081,419)	<b>(240,657,181)</b>
<b>Book value as at 31 December 2008 (unaudited)</b>	<b>1,587,391,368</b>	<b>11,152,210</b>	<b>1,598,655,748</b>

	<b>(Unaudited)</b> <b>31 December</b> <b>2008</b> <b>Rupees</b>	(Audited) 30 June 2008 Rupees
6 <b>Short term investments - available for sale</b>		
Listed shares and units	<b>20,070,275</b>	36,217,208
Unlisted units	<b>37,559,488</b>	58,519,924
	<b><u>57,629,763</u></b>	<b><u>94,737,132</u></b>

The Karachi Stock Exchange (Guarantee) Limited (“KSE”) placed a “Floor Mechanism” on the market value of securities based on the closing prices of securities prevailing as on August 27, 2008. Under the “Floor Mechanism”, the individual security price of equity securities could vary within normal circuit breaker limit, but not below the floor price level. The mechanism was effective from August 28, 2008 and remained in place until December 15, 2008. Consequent to the introduction of “Floor Mechanism” by KSE, the market volume declined significantly during the period from August 27, 2008 to December 15, 2008. There were lower floors on a number of securities at December 31, 2008. The equity securities have been valued at prices quoted on the KSE on December 31, 2008 without any adjustment as allowed by the State Bank of Pakistan (SBP) BSD Circular Letter No. 2 dated January 27, 2009.

Furthermore, SBP BSD Circular No. 4 dated February 13, 2009 has allowed to follow Securities and Exchange Commission of Pakistan (SECP) notification vide SRO 150 (1)/2009 dated February 13, 2009 allowing that the impairment loss, if any, recognized as on December 31, 2008 due to valuation of listed equity investments held as “Available for Sale” to quoted market prices may be shown under the equity. The amount taken to equity including any adjustment/effect for price movements shall be taken to Profit and Loss Account on quarterly basis during the year ending December 31, 2009. The amount taken to equity at December 31, 2008 shall be treated as a charge to Profit and Loss Account for the purposes of distribution as dividend.

The impairment loss based on market values as at December 31, 2008 has been determined at Rs 45.809 million. In view of the “Floor Mechanism” as explained above and current economic conditions in the country, the management believes that these are “rare circumstances” and the plunge in equity markets cannot be considered to be a fair reflection of equity values. Therefore recognition of impairment for ‘Available for Sale; equity securities through Profit and Loss account will not reflected the correct financial performance of the Modaraba.

The recognition of impairment loss in accordance with the requirements of IAS 39 would have had the following effect on this interim financial information:

	<b>2008</b> <b>Rupees</b>
Effect of Impairment Loss in Profit and Loss Account	<b>45,809,416</b>
Effect o Tax charge for the period	<b>Nil</b>
Decrease in profit for the period	<b>45,809,416</b>
Decrease in deficit on revaluation of Available for the sale securities	<b>45,809,416</b>
Decrease in Un-appropriated profit	<b>45,809,416</b>
Decrease in earnings per certificate	<b><u>1.33</u></b>

## 7 Contingencies and commitments

- 7.1 The assessing officer, while finalizing assessments for the years 1997-98 and 1998-99, made add backs out of profit and loss account. The Modaraba had filed an appeal before the Commissioner of Income Tax (Appeals) (CIT-(A)), who has rejected the appeals. The Modaraba has filed an appeal, against the order of CIT-(A), before the honourable Income Tax Appellate Tribunal, which has been decided in favour of Modaraba, however Income Tax Department has filed appeal before honourable Lahore High Court.
- 7.2 The assessing officer, while finalizing assessments for the years 2000-2001, raised tax demands amounting Rs. 1.743 million and charged additional tax amounting to Rs 0.236 million against which provision amounting to Rs.1.747 million was made in the relevant year. The Modaraba had not admitted the additional tax liability and had filed a rectification application. As the assessing officer has rejected this rectification application, the Modaraba filed an appeal before the Commissioner of Income Tax (Appeals).
- 7.3 The assessing officer, while finalizing assessments for the years 2002-2003, raised tax demands amounting Rs. 14.580 million . The Modaraba had not admitted the tax liability and had filed a rectification application.
- 7.4 Lease commitments approved but not disbursed as on balance sheet date amount to Rs.2.352 million (2008 : Rs.
- 7.5 Morabaha commitments approved but not disbursed as on balance sheet date amount to Rs.208.05 million

## 8 Taxation

Income of non trading modaraba is exempt from tax provided that not less than 90% of profits are distributed to the certificate holders. The modaraba intends to continue availing the tax exemption and hence no provision has been made in these financial statements for tax liability for the six months period ended 31 December 2008.

	<b>31 December 2008 Rupees (Un-audited)</b>	30 June 2008 Rupees (Audited)
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## 9 Transactions with related parties

### 9.1 Balance outstanding at the end of period

#### 9.1.1 Bank of Punjab (Holding company of the Modaraba's Management Company)

Musharika finances	<b>1,040,392,103</b>	788,710,559
Profit payable on musharika finances	<b>40,664,598</b>	29,482,066
Net book value of the assets leased to employees	<b>23,363,608</b>	35,805,508
Lease security deposits	<b>5,288,100</b>	5,343,600
Lease rentals receivables	<b>177,408</b>	186,066
Certificate of musharikhah	<b>470,000,000</b>	270,000,000
Profit payable on certificate of musharikhah	<b>30,097,940</b>	5,347,878

	<b>31 December 2008 Rupees</b>	31 December 2007 Rupees
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## 9.2 Transactions during the year

### 9.2.1 Bank of Punjab (Holding company of the Modaraba's Management Company)

Lease rentals income	6,931,666	4,709,811
Profit charged on finances	74,024,684	65,422,232
Lease contracts entered during the period	-	15,627,100
Profit charged on certificate of musharikahs	39,895,885	4,037,957

### 9.2.2 Punjab Modaraba Services (Pvt) Limited (Modaraba's Management Company)

Management fee accrued	-	5,679,456
Profit distribution paid	4,262,622	3,139,316

## 10 Date of authorization

This unaudited interim financial information for the six months period ended 31 December was authorized for issue by the Board of Directors of the Management company, on **March 12,2009**.

## 11 General

Figures have been rounded off to the nearest rupee.

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**Chief Executive**  
Punjab Modaraba Services  
( Private ) Limited

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**Director**  
Punjab Modaraba Services  
( Private ) Limited

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**Director**  
Punjab Modaraba Services  
( Private ) Limited