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CORPORATE INFORMATION

BOARD OF DIRECTORS

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

LEGAL ADVISOR

Mohsin Tayebaly & Company

AUDIT COMMITTEE

Mr. Syed Rasheed Akhtar	- Chairman
Mr. Wazir Mumtaz Ahmed	- Member
Mr. Mohammad Shams Izhar	- Member
Mr. Shakeel Ahmed	- Secretary

HUMAN RESOURCE COMMITTEE

Mr. Syed Rasheed Akhtar	- Chairman
Mr. Wazir Mumtaz Ahmed	- Member
Mr. Mohammad Shams Izhar	- Member
Mr. Tehsin Abbas	- Secretary

COMPANY SECRETARY

Mr. Tehsin Abbas (Officiating Company Secretary)

REGISTRAR

CDC Share Registrar Services Limited
Share Registrar Department
CDC House, 99-B, Block "B",
S.M.C.H.S
Main Shahrah-e-Faisal,
Karachi,
Pakistan. Tel: 111-111-500

AUDITOR

BDO Ebrahim & Co.
Chartered Accountants

BANKERS

Habib Metropolitan Bank Limited (Islamic Banking)
Soneri Bank Limited (Islamic Banking)
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited

REGISTERED OFFICE

3rd Floor, Al Manzoor Building
Dr. Ziauddin Ahmed Road, Karachi
Tel : 021-32635949-51
Fax : 021-32627373
Web : www.habibmetromodaraba.com
Email : hmm@habibmetromodaraba.com

DIRECTORS' REPORT

On behalf of the Board of Directors, it is my great pleasure to present the un-audited accounts of the Habib Metro Modaraba for the period ended September 30, 2019.

By the grace of Almighty Allah, the Modaraba has booked a profit of Rs.7.75 million for the first quarter ended September 30, 2019 as compared to little loss of Rs. 0.481 million for the previous corresponding period. The Modaraba has recorded total income of Rs.12.53 million as compared to Rs. 2.80 million of the previous comparable periods. Balance sheet footing of your Modaraba stood at Rs. 328.35 million. Certificate holder's equity stands at Rs. 311.60 million.

The Modaraba has recently executed a Service Level Agreement with Habib Metropolitan Bank Limited (HMB) and by virtue of the said agreement the InstaCar is also available from HMB branches located in the major cities of the country, we therefore, expects that with the passage of time, the modaraba will be able to develop a good number of quality assets portfolio in this segment.

In our last annual report of June, 2019, we had intimated that due to depressed business conditions, entities are facing issues of extraordinary increase in cost of doing business because of high lending rates, increasing trend of inflation and utilities charges. This has pushed businesses for low capital expenditure and cautious approach in new business engagements. However, in Q1 of current fiscal year there are few improvements have been noticed.

The country's external account is slightly getting better as current account deficit significantly decreased during the first quarter of this fiscal year. The decline in the trade deficit of last few months shows the effectiveness of the present government policies to curb the heavy trade deficit. This is due to decline in import bill mainly on imposition of regulatory duties on various luxurious and semi luxurious items and slight improvements in exports particularly textile related items. However, despite heavy devaluation of Pak rupee, there is no significant improvement in exports have been seen. In recent monetary policy statement, the Central Bank has also maintained policy rate at same level i.e., 13.25%. Maintaining balance of payments equilibrium is one of the top most priorities of the government and managing the balance of payments has been the main economic issue of past two years of our country.

In accordance with recent statistics, the consumer price index has risen through the first quarter of the current fiscal year. These developments were in line with the Central Bank's earlier projections and reflected the pass through of earlier exchange rate depreciation, adjustment in utility prices, and an increase in food prices. The high inflation with tight monetary policy is having adverse impact on country's growth and overall business sentiments.

Therefore, keeping in view of present business circumstances and difficult operating environment we are cautiously moving forward for new business engagements and assets booking, particularly in consumer financing. Simultaneously, we are enhancing risk management tools, appraisals & evaluation of credit proposals, further strengthening compliance culture particularly regulatory and AML/CFT related compliances and capacity building to meet the future challenges of businesses and compliances.

The Board greatly appreciates the support and guidance extended by the regulatory authorities, sponsors, certificate holders and the management and staff. We pray to Almighty Allah for the success of your Modaraba.

For and on behalf of Board of Directors

Karachi: **October 24, 2019**

Syed Rasheed Akhtar
Director

Muhammad Shoab Ibrahim
Chief Executive Officer

ڈائریکٹرز کی رپورٹ

یہ میرے لئے باعث، مسرت ہیکہ میں بورڈ آف ڈائریکٹرز کی جانب سے، ۳۰ ستمبر، ۲۰۱۹ کو ختم ہونے والی مدت اختتام پر حبیب میٹرو مضاربہ کی غیر محتسب شدہ کھاتے پیش کروں۔

اللہ تعالیٰ کی مہربانی و کرم سے، مضاربہ نے پہلی سہ ماہی جو کہ ۳۰ ستمبر ۲۰۱۹ کو اختتام پذیر ہوئی ہے اس میں ۷.۷۵ ملین روپے کا منافع کمایا ہے جو کہ پچھلے سال اسی سہ ماہی میں ۰.۳۸۱ ملین نقصان میں تھا۔ مضاربہ نے ۱۲.۵۳ ملین روپے کی آمدنی ریکارڈ کی ہے جو کہ پچھلے سال اسی مدت میں ۲.۸۰ ملین روپے تھی۔ مضاربہ کی بیلنس شیٹ ۳۲۸.۳۵ ملین روپے پر ہے۔ حصص یافتگان کی ایکویٹی ۳۱۱.۶۰ ملین پر ہے۔

مضاربہ نے حال ہی میں حبیب میٹرو پولیٹن بینک لمیٹڈ (HMB) کے ساتھ ایک سروس لیول کا معاہدے پر دستخط کئے ہیں اور مذکورہ معاہدے کی بنا پر اسٹاک مارکیٹ کے بڑے شہر میں واقع ایچ ایم بی برانچوں سے بھی دستیاب ہے، لہذا، ہم توقع کرتے ہیں کہ وقت گزرنے کے ساتھ ساتھ، مضاربہ اس کاروبار میں اچھے نمبروں کیساتھ اور معیاری اثاثوں کا پورٹ فولیو تیار کر سکے گا۔

جون، ۲۰۱۹ کی ہماری آخری سالانہ رپورٹ میں، ہم نے مطلع کیا تھا کہ مشکل کاروباری حالات کی وجہ، قرضوں کی بلند شرح، افراط زر کا بڑھتا ہوا رجحان اور یوٹیلیٹیز کے بڑھتے اخراجات کی وجہ سے اداروں کو کاروبار کرنے کی لاگت میں غیر معمولی اضافے کا سامنا ہے۔ اس نے کاروباری اداروں کو کم کاروباری اخراجات اور نئی کاروباری معاہدوں میں محتاط رویہ اختیار کرنے پر مجبور کیا ہے۔ تاہم، رواں مالی سال کی پہلی سہ ماہی میں کچھ بہتری دیکھنے میں آئی ہے۔

رواں مالی سال کی پہلی سہ ماہی کے دوران کرنٹ اکاؤنٹ کے خسارے میں نمایاں کمی ہوئی ہے۔ پچھلے کچھ مہینوں کے تجارتی خسارے میں کمی سے بھاری تجارتی خسارے کو روکنے کے لئے موجودہ حکومت کی پالیسیوں کا اثر ظاہر ہوتا ہے۔ اس کی وجہ درآمدی بل میں بنیادی طور پر مختلف پر تعیش اور نیم پر تعیش اشیاء پر ریگولیٹری ڈیوٹی لگانے اور برآمدات خصوصاً ٹیکسٹائل سے متعلقہ اشیاء میں معمولی بہتری لانے کی وجہ سے کمی ہوئی ہے۔ تاہم، پاکستانی روپے کی قدر میں بھاری کمی کے باوجود برآمدات میں کوئی خاصی بہتری دیکھنے میں نہیں آ رہی ہے۔ پالیسی کے حالیہ بیان میں، مرکزی بینک نے پالیسی کی شرح کو بھی اسی سطح پر برقرار رکھا ہے، یعنی ۱۳.۲۵ فیصد۔ ادا ٹیکسوں کے توازن کو برقرار رکھنا حکومت کی اولین ترجیحات میں سے ایک ہے اور ادا ٹیکسوں کے توازن کا نظم و نسق ہمارے ملک کے گذشتہ دو سالوں کا بنیادی معاشی مسئلہ رہا ہے۔

حالیہ اعداد و شمار کے مطابق، صارفین کی قیمتوں کا اشاریہ رواں مالی سال کی پہلی سہ ماہی میں بڑھ گیا ہے۔ یہ پیش رفت مرکزی بینک کے پہلے تخمینوں کے مطابق تھی اور اس سے قبل کی شرح تبادلہ میں کمی، افادیت کی قیمتوں میں ایڈجسٹمنٹ اور ایشیاء خورد و نوش کی قیمتوں میں اضافے کی عکاسی ہوتی ہے۔ سخت مالیاتی پالیسی کے ساتھ بڑھتی افراط زر کا ملکی ترقی اور مجموعی کاروباری ماحول پر منفی اثر پڑ رہا ہے۔

لہذا، موجودہ کاروباری حالات اور مشکل آپریٹنگ ماحول کو مد نظر رکھتے ہوئے ہم احتیاط سے نئی کاروباری معاہدوں اور اثاثوں کی بانگ کے لئے آگے بڑھ رہے ہیں۔ اس کے ساتھ ہی، ہم رسک مینجمنٹ ٹولز، تشخیص اور کریڈٹ تجاویز کی تشخیص کو بڑھا رہے ہیں، کمپلائنس کے کلچر کو مزید تقویت بخش رہے ہیں خاص طور پر ریگولیٹری اور AML/CFT سے متعلق کاروبار کی تعمیل اور صلاحیتوں کی تعمیر کو مستقبل کے چیلنجوں کا مقابلہ کرنے کے قابل بنائیں۔

بورڈ بہت ہی مشکور ہے اپنے قابل قدر کسٹمرز، رجسٹرار مضاربہ، سیکوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا کہ انہوں نے ہمیں تحفظ دیا، اپنے ملازمین کی مسلسل انتھک محنت کا، اپنے سرٹیفیکیٹ ہولڈرز کا کہ انہوں نے ہم پر بھروسہ کیا اور ریگولیٹری باڈیز کا جنہوں نے ہماری مسلسل رہنمائی کی۔

بورڈ آف ڈائریکٹرز کیلئے اور ان کی جانب سے

کراچی: ۲۴ اکتوبر ۲۰۱۹

سید رشید اختر
چیف ایگزیکٹو آفیسر

محمد شعیب ابراہیم
ڈائریکٹر

CONDENSED INTERIM BALANCE SHEET (UNAUDITED)

As at September 30, 2019

	(Unaudited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	4 4,057,787	4,341,744
Intangible assets	153,143	181,856
Vehicles available for diminishing musharaka financing	19,180,899	28,889,899
Diminishing musharaka financing	127,226,894	131,053,719
Preliminary expenses and floatation costs	5 7,220,396	7,881,758
	157,839,119	172,348,976
CURRENT ASSETS		
Short term investment	70,000,000	70,000,000
Current portion of diminishing musharaka financing	42,344,122	36,963,869
Advances and short term prepayments	3,375,928	2,122,049
Accrued profit	1,371,414	1,010,497
Taxation - net	4,762,510	4,697,122
Cash and bank balances	48,657,118	32,275,789
	170,511,092	147,069,326
TOTAL ASSETS	328,350,211	319,418,302
EQUITY AND LIABILITIES		
CERTIFICATE CAPITAL AND RESERVES		
Authorized capital 30,000,000 modaraba certificates of Rs. 10/- each	300,000,000	300,000,000
Issued, subscribed and paid-up certificate capital	300,000,000	300,000,000
Statutory reserve	3,021,377	802,415
Unappropriated profit	8,581,152	11,304,473
	311,602,529	312,106,888
CURRENT LIABILITIES		
Creditors, accrued and other liabilities	8,491,647	7,304,847
Dividend payable	8,256,035	6,567
TOTAL EQUITY AND LIABILITIES	328,350,211	319,418,302
CONTINGENCIES AND COMMITMENTS		
	6	

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the period ended September 30, 2019

		(Unaudited)	
		September 30, 2019	September 30, 2018
Note	-----	Rupees-----	
INCOME			
		629,795	1,123,220
		7,574,300	791,509
		2,657,003	161,102
		1,643,000	704,500
		26,153	22,580
		12,530,251	2,802,911
EXPENSES			
	5	661,362	661,361
		3,938,774	2,622,627
		26,400	-
		4,626,536	3,283,988
		7,903,715	(481,077)
		-	-
		158,074	-
		7,745,641	(481,077)
		-	-
		7,745,641	(481,077)
	8	0.26	(0.02)

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended September 30, 2019

	(Unaudited)	
	September 30, 2019	September 30, 2018
Net profit / (loss) for the period	7,745,641	(481,077)
Total comprehensive Profit /(loss) for the period	<u>7,745,641</u>	<u>(481,077)</u>

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT

For the period ended September 30, 2019

	(Unaudited)	
	September 30, 2019	September 30, 2018
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Generated form Operations		
Profit / (loss) before taxation	7,745,641	(481,077)
Adjustment of non-cash and other items:		
Depreciation expense	297,457	264,564
Amortization of preliminary expense and flotation cost	661,362	661,361
Amortization of intangible assets	28,713	28,713
Profit on Islamic certificates	(629,795)	(1,123,220)
Profit on Modaraba's deposits accounts	(2,657,003)	(161,102)
	(2,299,266)	(329,684)
(Increase) in Current assets:		
Advance and short term prepayments	(1,253,879)	(77,062)
Current portion of diminishing Musharakah financing	(5,380,253)	(6,448,489)
Increase in Current liability		
Creditors, Accrued and other liabilities	1,186,801	1,546,345
	(5,447,332)	(4,979,206)
Cash used in operations	(956)	(5,789,967)
Vehicle available for diminishing musharaka financing	9,709,000	-
Advances	-	(25,110,951)
Diminishing Musharakah financing	3,826,825	(13,221,702)
Advance tax paid	(65,389)	(61,710)
Net cash generated from / (used in) operating activities	13,469,480	(44,184,330)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to Property and equipment	(13,500)	(219,794)
Investment - net	-	50,000,000
Profit received on Islamic certificates	472,603	1,203,186
Profit received on Modaraba's deposit account	2,453,278	167,183
Net cash generated from investing activities	2,912,381	51,150,575
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(532)	-
Net cash used in financing activities	(532)	-
Net increase in cash and cash equivalents during the period	16,381,329	6,966,245
Cash and cash equivalent at the beginning of the period	32,275,789	33,525,457
Cash and cash equivalent at the end of the period	48,657,118	40,491,702

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended September 30, 2019

	Issued, subscribed and paid up capital	Statutory Reserves	Unappropriated Profit	Total
	----- (Rupees) -----			
Balance as at July 01, 2018	300,000,000	802,415	3,209,662	304,012,077
Transaction with owners				
Dividend paid during the period	-	-	(3,000,000)	(3,000,000)
Profit / (loss) for the period	-	-	(481,077)	(481,077)
Balance as at September 30, 2018	<u>300,000,000</u>	<u>802,415</u>	<u>2,728,585</u>	<u>300,531,000</u>
Balance as at July 01, 2019	300,000,000	3,021,377	9,085,511	312,106,888
Transaction with owners				
Dividend paid during the period	-	-	(8,250,000)	(8,250,000)
Profit for the period	-	-	7,745,641	7,745,641
Balance as at September 30, 2019	<u>300,000,000</u>	<u>3,021,377</u>	<u>8,581,152</u>	<u>311,602,529</u>

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the period ended September 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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 there under and is managed by Habib Metropolitan Modaraba Management Company (Private) Limited (the Modaraba

Management Company). The address of registered office is 3rd Floor, AlManzoor 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 musharaka basis, providing financing for solar power equipments and other related business.

2 BASIS OF PREPARATION

2.1 These condensed interim financial statements of the Modaraba for the quarter ended September 30, 2019 are unaudited and being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting".

2.2 The condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Modaraba as at and for the year ended June 30, 2019.

2.3 These condensed interim financial statements have been presented in Pak Rupees, which is the functional currency of the Modaraba.

3 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies and methods of computation followed for the preparation of these condensed interim financial statements are the same as those applied in preparing the full financial statements as at and for the period ended 30 June, 2019.

3.2 The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Moradabad's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the full financial statements as at and for the period ended 30 June, 2019.

3.3 The financial risk management objectives and policies are consistent with those disclosed in the full financial statements of the Modaraba as at and for the period ended 30 June, 2019.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the period ended September 30, 2019

4 PROPERTY AND EQUIPMENT

	Leasehold improvements	Furniture and fixtures	Office equipment	Vehicle	Total
	-----Rupees-----				
Owned assets					
Net carrying value basis					
Period ended September 30, 2019					
Opening net book value	2,135,380	176,288	657,708	1,372,366	4,341,742
Additions	-	-	13,500	-	13,500
Depreciation	(118,534)	(13,144)	(80,579)	(85,200)	(297,457)
Closing net book value	<u>2,016,846</u>	<u>163,144</u>	<u>590,629</u>	<u>1,287,166</u>	<u>4,057,787</u>
Period ended September 30, 2019					
Cost	2,844,870	262,871	1,099,420	2,044,794	6,251,955
Accumulated depreciation	(828,024)	(99,727)	(508,791)	(757,628)	(2,194,170)
Net book value	<u>2,016,846</u>	<u>163,144</u>	<u>590,629</u>	<u>1,287,166</u>	<u>4,057,787</u>
Annual rate of depreciation (% per annum)	16.67%	20%	25% - 33.33%	16.67%	

5 PRELIMINARY EXPENSES AND FLOATATION COSTS

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
	-----Rupees-----	
Preliminary expenses and floatation costs	7,881,758	10,496,639
Amortization during the period	(661,362)	(2,614,881)
	<u>7,220,396</u>	<u>7,881,758</u>

- 5.1** This represents expenses incurred in respect of issue of the Modaraba certificates to the public and includes cost of organization and floatation of the Modaraba, cost of printing, publication and distribution of the prospectus, underwriting expenses, commission to the bankers to the issue and brokerage and other ancillary cost. Preliminary expenses and floatation costs are being amortized on prorata basis over the period of 5 years as per Third Schedule of Modaraba Companies and Modaraba Rules, 1981.

6 CONTINGENCIES AND COMMITMENTS

There are no contingencies to report as at September 30 2019, whereas commitments in respect of diminishing Musharakah financing amounting to Rs.2.306 million (June 30, 2019: Rs. 13.037 million).

7 TAXATION

The income of non-trading modarabas is exempt from tax under clause 100 of the Second Schedule of the Income Tax Ordinance 2001, provided not less than 90% of its profits after appropriation to statutory reserves as required under Modaraba Regulations is distributed to the certificate holders. The Modaraba has decided to continue availing the tax exemption and hence no provision has been made this condensed interim financial information for tax liabilities for the period.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the period ended September 30, 2019

8 THE EARNING PER CERTIFICATE AS REQUIRED BY IAS 33 "EARNING PER SHARE" IS GIVEN BELOW;	(Unaudited)	
	September 30, 2019	September 30, 2018
Net profit / (loss) for the period	7,745,641	(481,077)
Weighted average number of certificate outstanding	30,000,000	30,000,000
Earning / (Loss) per certificate - Basic and Diluted	0.26	(0.02)

There were no convertible diluted potential ordinary certificate outstanding as on September 30, 2019 which have dilutive effect on loss per certificate

9 UTILIZATION OF PROCEEDS OF INITIAL PUBLIC OFFERING

The break- up of utilization of proceeds of initial public offering is being presented under the requirements of the Regulation 16(i) of Chapter VIII of Public Offering Regulations, 2017. The Modaraba has utilized the proceeds from initial public offering as follows:

	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
Proceeds realized	300,000,000	300,000,000
Purchase of property and equipment	4,057,787	4,341,744
Purchase of intangible assets	153,143	181,856
Preliminary expenses and floatation cost	7,220,396	7,881,758
Diminishing musharaka financing and vehicles available there against	169,571,016	196,907,487
Held for working capital, purchase of additional assets / investments etc.	118,997,658	90,687,155
	300,000,000	300,000,000

10 RELATED PARTY TRANSACTIONS

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

A number of transactions are entered into with related parties in the normal course of business. These include financings, investments and sharing of common expenses

The related parties and associated undertakings comprise the Management Company (Habib Metropolitan Modaraba Management Company (Private) Limited), Habib Metropolitan Bank Limited, Habib Bank AG Zurich, First Habib Modaraba, and key management personnel. Transactions and balances outstanding with related parties and associated undertakings are as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the period ended September 30, 2019

Relationship with the Modaraba	Nature of transactions	September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
Balances Held		-----Rupees-----	
Holding Company			
Habib Metropolitan Bank Limited	Bank balances	19,472,582	5,284,166
Habib Metropolitan Bank Limited	Short term investment	25,000,000	25,000,000
Habib Metropolitan Bank Limited	Accrued profit on bank accounts and Islamic term deposit certificates	600,907	585,761
Habib Metropolitan Bank Limited	Prepaid exoense	142,316	213,483
Relationship with the Modaraba		September 30, 2019 (Unaudited)	June 30, 2019 (Audited)
Transacation Held		-----Rupees-----	
Holding Company			
Habib Metropolitan Bank Limited	Profit on Islamic certificates & Profit on Modaraba's deposits account	1,786,705	6,902,887
	Investments purchased	25,000,000	175,000,000
	Investments matured	25,000,000	225,000,000
	Bank charges paid	26,490	-
	Electricity, building security and generator service expense	106,752	-
	Dividend payment	-	1,800,000
	Payment of Electricity, building security and generator service	-	1,433,929
Management Company			
Habib Metropolitan Modaraba Management Company (Private) Limited	Dividend payment	-	300,000

11 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 24, 2019 by the Board of Directors of the Modaraba Management Company.

12 GENERAL

12.1 Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current period. However, there are no material reclassification / re-arrangement to report .

12.2 Figures have been rounded off to the nearest rupee.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR