



**FIRST  
ELITE  
CAPITAL  
MODARABA**

Quarterly Report  
September 30, 2020  
(Un-Audited)

Managed by  
**CRESCENT MODARABA MANAGEMENT  
COMPANY LIMITED**





**CONTENTS**

|   |       |
|---|-------|
| CORPORATE INFORMATION                                   | 4     |
| DIRECTORS' REPORT                                       | 5     |
| ڈائریکٹرز رپورٹ   | 6     |
| BALANCE SHEET   | 7     |
| PROFIT AND LOSS ACCOUNT                                 | 8     |
| STATEMENT OF COMPREHENSIVE INCOME                       | 9     |
| CASH FLOW STATEMENT                                     | 10    |
| STATEMENT OF CHANGES IN EQUITY                          | 11    |
| NOTES TO THE CONDENSED INTERIM<br>FINANCIAL INFORMATION | 12-14 |
| JAMA PUNJI  | 15    |



## FIRST ELITE CAPITAL MODARABA

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS OF MODARABA MANAGEMENT COMPANY

|                          |                 |
|--------------------------|-----------------|
| 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        |

#### AUDIT COMMITTEE

|                         |          |
|-------------------------|----------|
| Mr. Ghazanfar Farrokh   | Chairman |
| Mr. Muneeb Ahmed Dar    | Member   |
| Mrs. Shahana Javed Amin | Member   |

#### COMPANY SECRETARY

Mr. Muhammad Arif Hilal

#### LEGAL ADVISOR

International Legal Services

#### SHARIAH ADVISOR

Mufti Muhammad Umar

#### AUDITORS OF THE MODARABA

Naveed Zafar Ashfaq Jaffery & Co.  
Chartered Accountants

#### BANKERS OF THE MODARABA

Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Meezan Bank Limited

#### PRINCIPAL & REGISTERED OFFICE

50-A, Garden Block, New Garden Town,  
Lahore - Pakistan.

Tel : (042) 35442735-37  
Fax : (042) 35442738  
E-mail : info@fecm.com.pk  
Web : www.fecm.com.pk

#### SHARE REGISTRAR

CorpTec Associates (Pvt.) Limited  
503-E, Johar Town, Lahore.  
Tel : 042-35170336-7  
Fax : 042-35170338  
E-mail : info@corptec.com.pk



## FIRST ELITE CAPITAL MODARABA

### **DIRECTORS' REPORT**

#### **Valued Certificate Holders**

The Board of Directors of **Crescent Modaraba Management Company Limited**, Manager of **First Elite Capital Modaraba** are pleased to present the unaudited financial statements of the Modaraba for the period ended September 30, 2020.

#### **Operation's & Performance**

|                                     | <b>September<br/>30, 2020<br/>Rupees</b> | September<br>30, 2019<br>Rupees |
|-------------------------------------|--|---------------------------------|
| Total Income                        | <b>11,224,200</b>                        | 9,040,510                       |
| Depreciation of assets leased out   | <b>6,819,557</b>                         | 6,815,128                       |
| Administrative and general expenses | <b>3,447,549</b>                         | 2,981,155                       |
| Financial charges                   | <b>701</b>                               | -                               |
| Total Expenses                      | <b>10,267,807</b>                        | 9,796,283                       |
| Operating Profit/(Loss)             | <b>956,393</b>                           | (755,773)                       |
| Management Fee                      | -  | -                               |
| Profit/(Loss) before taxation       | <b>956,393</b>                           | (755,773)                       |
| Taxation                            | -  | -                               |
| Profit/(Loss) after taxation        | <b>956,393</b>                           | (755,773)                       |

During the quarter, the Modaraba earned a profit of Rs.956,393/= as compared to loss of Rs.755,773/= in the corresponding period of last year. In the first quarter of the financial year, the Modaraba showed better results as compared to corresponding period of last year. The Management of the Modaraba expects that with further improvement in the business conditions in the country the performance of the Modaraba will also improve.

Gross revenue was Rs.11, 224,200/= in the period under review, which was mainly derived from Ijarah Financing. Earning per certificate remained at Re.0.08.

The Board thanks the Regulatory Authorities for their continuous guidance and cooperation and places on record its appreciation of the services rendered by the staff members of their hard work.

On behalf of the Board

**AAMIR IFTIKHAR KHAN**  
CHIEF EXECUTIVE

Lahore  
October 20, 2020



## ڈائریکٹرز رپورٹ

معزز سرٹیفکیٹ ہولڈرز:-

فرسٹ ایلٹ کیپیٹل مضاربہ زیر انتظام کریڈنٹ مضاربہ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز مضاربہ کی 30 ستمبر 2020ء کو ختم ہونے والی مدت کے غیر آڈٹڈ مالی حسابات پیش کرتے ہیں۔

آپریشنز اور کارکردگی:-

| 30 ستمبر 2019ء (روپے) | 30 ستمبر 2020ء (روپے) |                              |
|-----------------------|-----------------------|------------------------------|
| 9,040,510             | 11,224,200            | کل آمدن                      |
| 6,815,128             | 6,819,557             | لیزڈ آؤٹ اثاثوں کی فرسودگی   |
| 2,981,155             | 3,447,549             | انتظامی و عمومی اخراجات      |
| -                     | 701                   | مالی اخراجات (فنانس چارجز)   |
| 9,796,283             | 10,267,807            | کل اخراجات                   |
| (755,773)             | 956,393               | آپریٹنگ منافع/(خسارہ)        |
| -                     | -                     | انتظامی فیس                  |
| (755,773)             | 956,393               | منافع/(خسارہ) قبل از ٹیکسیشن |
| -                     | -                     | ٹیکسیشن                      |
| (755,773)             | 956,393               | منافع/(خسارہ) بعد از ٹیکسیشن |

اس سہ ماہی کے دوران مضاربہ کو -/956,393 روپے کا منافع ہوا۔ جبکہ گزشتہ سال اسی مدت میں -/775,773 روپے کا خسارہ ہوا تھا۔ مالی سال کی پہلی سہ ماہی میں مضاربہ نے پچھلے سال کے اس عرصے کے مقابلے میں بہتر نتائج دکھائے ہیں۔ مضاربہ کی انتظامیہ کو توقع ہے کہ ملک میں کاروباری حالات میں مزید بہتری کے ساتھ مضاربہ کی کارکردگی میں بھی بہتری آئے گی۔

زیر غور مدت میں مجموعی محصول -/11,224,200 روپے تھا جو بنیادی طور پر اجارہ فنانسنگ سے حاصل ہوا تھا۔ فی سرٹیفکیٹ آمدنی 0.08 روپے رہی۔

بورڈ ریگولیٹری حکام کی جانب سے مسلسل رہنمائی اور تعاون کا شکریہ ادا کرتا ہے اور عملے کی جانب سے پیش کی گئی خدمات، لگن اور عزم و ہمت سے کام کرنے پر ان کو خراج تحسین پیش کرتا ہے۔

از طرف بورڈ آف ڈائریکٹرز:-

Hamid Khan

عامر افتخار خان

چیف ایگزیکٹو

20 اکتوبر 2020ء

☆☆☆☆



## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2020

|   | Note | Un-audited<br>September<br>30, 2020<br>Rupees | Audited<br>June<br>30, 2020<br>Rupees |
|---|------|---|---------------------------------------|
| <b>ASSETS</b>   |      |   |                                       |
| <b>Current assets</b>   |      |   |                                       |
| Cash and bank balances  | 4    | 18,806,615                                    | 19,171,190                            |
| Short term investments  | 5    | 13,592,729                                    | 11,593,818                            |
| Short term finances under musharakah arrangements-secured               | 6    | 386,244                                       | 405,244                               |
| Short term finances under murabahah arrangements-secured                | 7    | 16,403  | 1,016,403                             |
| Ijarah rentals receivable - secured                                     |      | 2,343,395                                     | 3,267,753                             |
| Profit receivable - secured   |      | -   | 48,738                                |
| Advances, deposits, prepayments and other receivables                   |      | 3,875,566                                     | 3,863,996                             |
| Advance income tax  |      | 1,887,025                                     | 1,847,438                             |
| Stock in Trade  |      | 16,659,324                                    | 5,170,619                             |
|   |      | 57,567,301                                    | 46,385,199                            |
| <b>Non-current assets</b>   |      |   |                                       |
| Assets leased out under ijarah contracts                                | 8    | 92,962,306                                    | 108,087,632                           |
| Property and equipment  | 9    | 26,465,500                                    | 26,624,074                            |
|   |      | 119,427,806                                   | 134,711,706                           |
| <b>Total assets</b>   |      | <b>176,995,107</b>                            | <b>181,096,905</b>                    |
| <b>LIABILITIES</b>  |      |   |                                       |
| <b>Current liabilities</b>  |      |   |                                       |
| Accrued and other liabilities   | 10   | 1,678,615                                     | 1,955,846                             |
| Security deposits   |      | 8,277,835                                     | 7,308,977                             |
| Un-claimed profit distribution  |      | 8,186,692                                     | 8,187,946                             |
|   |      | 18,143,142                                    | 17,452,769                            |
| <b>Non-current liabilities</b>  |      |   |                                       |
| Security deposits   | 10   | 40,115,846                                    | 47,672,723                            |
| Employees retirement benefits   |      | 9,066,663                                     | 9,066,663                             |
|   |      | 49,182,509                                    | 56,739,386                            |
| <b>Contingencies and commitments</b>                                    | 11   | -   | -                                     |
| <b>Total liabilities</b>  |      | <b>67,325,651</b>                             | <b>74,192,155</b>                     |
| <b>Net Assets</b>   |      | <b>109,669,456</b>                            | <b>106,904,750</b>                    |
| <b>REPRESENTED BY</b>   |      |   |                                       |
| Authorized capital<br>20,000,000 modaraba certificates of<br>Rs.10 each |      | 200,000,000                                   | 200,000,000                           |
| Issued, subscribed and paid-up<br>certificate capital                   | 12   | 113,400,000                                   | 113,400,000                           |
| Reserves  |      | (3,730,544)                                   | (6,495,250)                           |
|   |      | 109,669,456                                   | 106,904,750                           |

**For Crescent Modaraba Management Company Limited  
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

|   | September<br>30, 2020<br>Rupees | September<br>30, 2019<br>Rupees |
|---|---------------------------------|---------------------------------|
| <b>INCOME</b>   |                                 |                                 |
| Income from ijarah financing                                | 10,604,087                      | 8,729,515                       |
| Profit on murabahah financing                               | -                               | 87,501                          |
| Trading Income  | 230,645                         | -                               |
| Return on investments                                       | 239,751                         | 106,160                         |
| Other income  | 149,717                         | 117,334                         |
|   | <b>11,224,200</b>               | <b>9,040,510</b>                |
| <b>EXPENSES</b>   |                                 |                                 |
| Depreciation of assets leased out<br>under ijarah contracts | 6,819,557                       | 6,815,128                       |
| Administrative and general expenses                         | 3,447,549                       | 2,981,155                       |
| Financial charges   | 701                             | -                               |
|   | <b>10,267,807</b>               | <b>9,796,283</b>                |
|   | <b>956,393</b>                  | <b>(755,773)</b>                |
| Management Fee  | -                               | -                               |
| Profit/(Loss) before taxation                               | <b>956,393</b>                  | <b>(755,773)</b>                |
| Taxation  | -                               | -                               |
| Profit/(Loss) after taxation                                | <b>956,393</b>                  | <b>(755,773)</b>                |
| Profit/(Loss) per certificate -<br>basic and diluted        | <b>0.08</b>                     | <b>(0.07)</b>                   |

For Crescent Modaraba Management Company Limited  
(Management Company of First Elite Capital Modaraba)

Chairman

Chief Executive

Director

Chief Financial Officer





## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

|   | September<br>30, 2020<br>Rupees | September<br>30, 2019<br>Rupees |
|---|---------------------------------|---------------------------------|
| <b>Profit/(Loss) after taxation</b>   | <b>956,393</b>                  | <b>(755,773)</b>                |
| <b>Other comprehensive profit/(loss)</b>                                      |                                 |                                 |
| <b>Items that may be reclassified<br/>subsequently to profit or loss</b>      |                                 |                                 |
| Changes in fair value of available<br>for sale investments                    | <b>1,808,313</b>                | <b>(1,082,212)</b>              |
| Reclassification adjustments for<br>losses/(gains) included in profit or loss | -                               | -                               |
|   | <b>1,808,313</b>                | <b>(1,082,212)</b>              |
| <b>Total comprehensive profit/(loss)</b>                                      | <b>2,764,706</b>                | <b>(1,837,985)</b>              |

**For Crescent Modaraba Management Company Limited  
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



## FIRST ELITE CAPITAL MODARABA

### CONDENSED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

|  | September<br>30, 2020<br>Rupees | September<br>30, 2019<br>Rupees |
|--|---------------------------------|---------------------------------|
| <b>Cash Flow from operating activities</b>               |                                 |                                 |
| Profit/(Loss) before taxation                            | 956,393                         | (755,773)                       |
| <b>Adjustment for non cash charges and other items</b>   |                                 |                                 |
| Depreciation   | 134,379                         | 165,355                         |
| Depreciation of assets leased out                        | 6,819,557                       | 6,815,128                       |
| Gain on sale of investments                              | (189,751)                       | (2,456)                         |
| Gain on sale of property and equipment                   | (8,804)                         | -                               |
| Financial charges  | 701                             | -                               |
| Dividend income  | (50,000)                        | (103,704)                       |
| Profit on bank deposits                                  | (73,593)                        | (66,820)                        |
|  | 6,632,489                       | 6,807,503                       |
| <b>(Increase)/decrease in current assets</b>             |                                 |                                 |
| Advances, deposits, prepayments and other receivables    | 921,939                         | (1,617,238)                     |
| Stock in Trade   | (11,488,705)                    | -                               |
| Murabahah and Musharakah financing                       | 1,019,000                       | 57,000                          |
|  | (9,547,766)                     | (1,560,238)                     |
| <b>(Decrease)/Increase in current liabilities</b>        |                                 |                                 |
| Creditors, accrued and other liabilities                 | (278,485)                       | (742,081)                       |
| Cash flow from operations                                | (2,237,369)                     | 3,749,411                       |
| Financial charges  | (701)                           | -                               |
| Receipt/(Payment) of security deposits from lessees      | (6,588,019)                     | 711,989                         |
|  | (6,588,720)                     | 711,989                         |
| Net cash inflow from operating activities                | (8,826,089)                     | 4,461,400                       |
| <b>Cash flow from investing activities</b>               |                                 |                                 |
| Sale proceeds of investments                             | 1,452,215                       | 68,365                          |
| Purchase of Investments                                  | (1,453,063)                     | (73,080)                        |
| Proceeds from sale of property and equipment             | 33,000                          | -                               |
| Dividend income  | 50,000                          | 103,704                         |
| Profit on bank deposits                                  | 73,593                          | 66,820                          |
| Investment in lease finance net                          | 8,305,769                       | (2,841,464)                     |
| Net cash outflow from investing activities               | 8,461,514                       | (2,675,655)                     |
| <b>Cash flow from financing activities</b>               |                                 |                                 |
| Net Cash Outflow from financing Activities               | -                               | -                               |
| Net (decrease)/increase in cash and cash equivalents     | (364,575)                       | 1,785,745                       |
| Cash and cash equivalents at the beginning of the period | 19,171,190                      | 6,623,240                       |
| Cash and cash equivalents at the end of the period       | 18,806,615                      | 8,408,985                       |

**For Crescent Modaraba Management Company Limited  
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



## FIRST ELITE CAPITAL MODARABA


### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

|  | Issued, Subscribed<br>and Paid-up<br>Capital | Statutory<br>Reserve | Available for<br>sale financial<br>assets | Reserves              |                    | Total              | Total equity       |
|--|--|----------------------|---|-----------------------|--------------------|--------------------|--------------------|
|  | Rupees                                       | Rupees               | Rupees                                    | Accumulated<br>losses | Rupees             | Rupees             | Rupees             |
| <b>Balance as at June 30, 2019 - Audited</b>       | <b>113,400,000</b>                           | <b>32,018,014</b>    | <b>(8,406,628)</b>                        | <b>(23,763,891)</b>   | <b>(152,505)</b>   | <b>113,247,495</b> | <b>113,247,495</b> |
| Net loss for the period                            | -  | -                    | -   | (755,773)             | (755,773)          | (755,773)          | (755,773)          |
| Other comprehensive loss for the period            | -  | -                    | (1,082,212)                               | -                     | (1,082,212)        | (1,082,212)        | (1,082,212)        |
| <b>Balance as at September 30, 2019-Un-Audited</b> | <b>113,400,000</b>                           | <b>32,018,014</b>    | <b>(9,488,840)</b>                        | <b>(24,519,664)</b>   | <b>(1,990,490)</b> | <b>111,409,510</b> | <b>111,409,510</b> |
| <b>Balance as at June 30, 2020 - Audited</b>       | <b>113,400,000</b>                           | <b>32,018,014</b>    | <b>(9,983,417)</b>                        | <b>(28,529,847)</b>   | <b>(6,495,250)</b> | <b>106,904,750</b> | <b>106,904,750</b> |
| Net profit for the period                          | -  | -                    | -   | 956,393               | 956,393            | 956,393            | 956,393            |
| Other comprehensive profit for the period          | -  | -                    | 1,808,313                                 | -                     | 1,808,313          | 1,808,313          | 1,808,313          |
| <b>Balance as at September 30, 2020-Un-Audited</b> | <b>113,400,000</b>                           | <b>32,018,014</b>    | <b>(8,175,104)</b>                        | <b>(27,573,454)</b>   | <b>(3,730,544)</b> | <b>109,669,456</b> | <b>109,669,456</b> |

For Crescent Modaraba Management Company Limited  
(Management Company of First Elite Capital Modaraba)

  
Chairman

  
Director

  
Chief Financial Officer



## FIRST ELITE CAPITAL MODARABA

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

#### 1 REPORTING ENTITY

First Elite Capital 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 Crescent Modaraba Management Company Limited ("the Management Company"), a company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the 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 (PSX). The Modaraba is primarily engaged in the business of ijarah, musharakah, murabahah financing, investment in marketable securities, trading and other related businesses.

#### 2 BASIS OF PREPARATION

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Modaraba for the year ended June 30, 2020. The Securities and Exchange Commission of Pakistan vide Circular No. 10 of 2004 date February 13, 2004 has deferred, till further orders, the applicability of the IAS 17 "Leases" with effect from July 01, 2003. Accordingly, this IAS has not been considered for the purpose of preparation of this financial information. The comparative balance sheet as at June 30, 2020 and the related notes to the condensed financial information are based on audited financial statements. The comparative interim statement of profit and loss account, interim statement of comprehensive income, interim cash flow statement, interim statement of changes in equity, and related notes to the condensed interim financial information for the period ended September 30, 2019 are based on unaudited, interim financial information.

##### 2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the provisions of the Companies Act, 2017, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and the directives issued by SECP differ with the requirements of IFRSs or IFAS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issued by the SECP prevail.

##### 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value or amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

##### 2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

##### 2.4 Functional currency

This financial information is prepared in Pak Rupees which is the Modaraba's functional currency.

#### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Modaraba for the year ended June 30, 2020.



## FIRST ELITE CAPITAL MODARABA

|   | Note | Un-audited<br>September<br>30, 2020<br>Rupees | Audited<br>June<br>30, 2020<br>Rupees |
|---|------|---|---------------------------------------|
| <b>4 CASH AND BANK BALANCES</b>   |      |   |                                       |
| Cash in hand  |      | 313,477                                       | 156,705                               |
| Cash at bank in   |      |   |                                       |
| - current accounts  |      | 297,889                                       | 299,844                               |
| - saving accounts   |      | 18,195,249                                    | 18,714,641                            |
|   |      | <u>18,806,615</u>                             | <u>19,171,190</u>                     |
| <b>5 SHORT TERM INVESTMENTS</b>   |      |   |                                       |
| <b>Available for sale</b>   |      |   |                                       |
| Cost of investment  |      | 25,504,223                                    | 25,313,625                            |
| Accumulated Impairment  |      | (3,736,390)                                   | (3,736,390)                           |
| Fair value adjustment   |      | (8,175,104)                                   | (9,983,417)                           |
|   |      | <u>13,592,729</u>                             | <u>11,593,818</u>                     |
| <b>6 SHORT TERM FINANCES UNDER MUSHARAKAH ARRANGEMENTS - SECURED</b>  |      |   |                                       |
| Considered good   |      | 386,244                                       | 405,244                               |
| Considered doubtful   |      | 637,500                                       | 637,500                               |
|   |      | <u>1,023,744</u>                              | <u>1,042,744</u>                      |
| Less: Provision for doubtful receivables under Musharakah arrangements  |      | (637,500)                                     | (637,500)                             |
|   |      | <u>386,244</u>                                | <u>405,244</u>                        |
| These represent investments made under musharakah arrangements on profit and loss sharing basis and are secured by specific charge over operating fixed assets and demand promissory notes. The share of profit of Modaraba is 40% per annum.   |      |   |                                       |
| <b>7 SHORT TERM FINANCES UNDER MURABAHAH ARRANGEMENTS - SECURED</b>   |      |   |                                       |
| Considered good   |      | 16,403  | 1,016,403                             |
| Considered doubtful   |      | 55,309,704                                    | 55,309,704                            |
|   |      | <u>55,326,107</u>                             | <u>56,326,107</u>                     |
| Less: Provision for doubtful receivables under Murabahah arrangements   |      | (55,309,704)                                  | (55,309,704)                          |
|   |      | <u>16,403</u>                                 | <u>1,016,403</u>                      |
| These represent receivable against murabahah transactions on deferred payment basis at a specified margin. These are secured against pledge of marketable securities, mortgage of property, hypothecation of stocks, demand promissory notes and personal guarantees. Profit margin on murabahah transactions ranges from 15% to 20% per annum receivable on monthly basis. |      |   |                                       |
| The Modaraba has filed execution petitions with the Modaraba Tribunal Punjab and suit with Banking Court, Lahore against various parties for recoveries, also claim has been filed against one company, with official liquidators appointed by Lahore High Court.   |      |   |                                       |
| <b>8 ASSETS LEASED OUT UNDER IJARAH CONTRACT</b>  |      |   |                                       |
| Leased assets   | 8.1  | 92,962,306                                    | 108,087,632                           |
| <b>8.1 Movement in assets leased out under ijarah contract</b>  |      |   |                                       |
| Opening net book value  |      | 108,087,632                                   | 118,322,418                           |
| Additions during the period   |      | 4,360,000                                     | 26,294,500                            |
| Disposal during the period  |      | (20,837,000)                                  | (21,508,900)                          |
|   |      | <u>91,610,632</u>                             | <u>123,108,018</u>                    |
| Depreciation charged during the period  |      | 1,351,674                                     | (15,020,386)                          |
| Closing net book value  |      | <u>92,962,306</u>                             | <u>108,087,632</u>                    |
| <b>9 PROPERTY AND EQUIPMENT</b>   |      |   |                                       |
| Operating Fixed Assets  | 9.1  | 26,465,500                                    | 26,624,074                            |
| <b>9.1 Movement in operating fixed assets</b>   |      |   |                                       |
| Opening net book value  |      | 26,624,074                                    | 27,285,304                            |
| Additions during the period   |      | -   | -                                     |
| Disposal during the period  |      | (93,000)                                      | -                                     |
|   |      | <u>26,531,074</u>                             | <u>27,285,304</u>                     |
| Depreciation charged during the period  |      | (65,574)                                      | (661,230)                             |
| Closing net book value  |      | <u>26,465,500</u>                             | <u>26,624,074</u>                     |



## FIRST ELITE CAPITAL MODARABA

|  | Un-audited<br>September<br>30, 2020<br>Rupees | Audited<br>June<br>30, 2020<br>Rupees |
|--|---|---------------------------------------|
| <b>10 SECURITY DEPOSITS</b>                          |   |                                       |
| Security deposits under ijarah contracts             | 48,393,681                                    | 54,981,700                            |
| Current maturity presented under current liabilities | (8,277,835)                                   | (7,308,977)                           |
|  | <b>40,115,846</b>                             | <b>47,672,723</b>                     |

### 11 CONTINGENCIES AND COMMITMENTS

#### Contingencies

There is no significant change in the status of contingencies since June 30, 2020.

#### Commitments

There are no significant commitments at the reporting date except for those under ijarah contracts regarding use by lessees of assets leased out to them under ijarah contracts against future rentals

### 12 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Modaraba certificates of Rs. 10 each.

10,000,000 (June 30, 2020: 10,000,000)

certificates issued for cash

100,000,000 100,000,000

1,340,000 (June 30, 2020: 1,340,000)

13,400,000 13,400,000

certificates issued as bonus certificates

**113,400,000 113,400,000**

### 13 TAXATION

**13.1** No provision for current tax has been made in these financial statements as the income of modaraba is exempt from income tax under clause 100 of Part-I of Second Schedule to the Income Tax Ordinance 2001, if the Modaraba distributes at least ninety percent of its profits, as reduced by the amount transferred to statutory reserve, as cash dividend to the certificate holders and the Modaraba intends to avail the exemption.

**13.2** No deferred tax has been provided in these financial statements as the management intends to continuously avail the tax exemption by distributing the minimum prescribed amount as cash dividend to certificate holders.

### 14 RELATED PARTY TRANSACTIONS AND BALANCES

Transactions with related party include management fee payable to the Crescent Modaraba Management Company Limited. The details are as follows:

#### 14.1 Transactions with related party during period

| Nature of relationship | Nature of transaction | Un-Audited<br>September<br>30, 2020<br>Rupees | Un-Audited<br>September<br>30, 2019<br>Rupees |
|------------------------|-----------------------|---|---|
| Management Company     | Management fee        | -   | -   |
| Management Company     | Profit distribution   | -   | -   |

| Nature of relationship | Nature of transaction | Un-Audited<br>September<br>30, 2020<br>Rupees | Audited<br>June<br>30, 2020<br>Rupees |
|------------------------|-----------------------|---|---------------------------------------|
|------------------------|-----------------------|---|---------------------------------------|

#### 14.2 Payable to related parties

|                    |                        |         |         |
|--------------------|------------------------|---------|---------|
| Management Company | Management fee payable | 194,308 | 249,308 |
|--------------------|------------------------|---------|---------|

### 15 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial information.

### 16 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Management Company and authorized for issue on October 20, 2020.

### 17 GENERAL

Figures have been rounded off to the nearest Rupee.

Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison.

**For Crescent Modaraba Management Company Limited  
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

www.jamapunji.pk



سرمایہ کاری سمجھداری کے ساتھ



**Be aware, Be alert,  
Be safe**

Learn about investing at  
[www.jamapunji.pk](http://www.jamapunji.pk)

**Key features:**

- Licensed Entities Verification
- Scam meter\*
- Jamapunji games\*
- Tax credit calculator\*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered
- Stock trading simulator (based on live feed from KSE)
- Knowledge center
- Risk profiler\*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes



Jama Punji is an Investor  
Education Initiative of  
Securities and Exchange  
Commission of Pakistan

[jamapunji.pk](https://www.facebook.com/jamapunji.pk)

[@jamapunji\\_pk](https://twitter.com/jamapunji_pk)

\*Mobile apps are also available for download for android and ios devices



**FIRST ELITE CAPITAL MODARABA**  
Managed By  
**CRESCENT MODARABA MANAGEMENT COMPANY LIMITED**

**PRINCIPAL & REGISTERED OFFICE**  
50-A, Garden Block, New Garden Town, Lahore.  
Tel : 042-35442735-37 Fax: 042-35442738  
E-mail: [info@fecm.com.pk](mailto:info@fecm.com.pk) Web: [www.fecm.com.pk](http://www.fecm.com.pk)