



**Third Quarter Accounts**  
**March 31, 2009**  
**(Unaudited)**

**UNICAP MODARABA**

Managed By  
**Al-Zāmin Modaraba Management (Pvt) Ltd.**

104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi-75600  
Telephone: 5876651, 5876652 Fax: 5870408

**UNICAP MODARABA**

Managed by : AL-Zāmin Modaraba Management (Private) Limited Since 03-05-2000

**DIRECTORS' REPORT**

Board of Directors of Al-Zamin Modaraba Management (Pvt.) Limited present to the certificate holders the unaudited accounts of Unicap Modaraba for the third quarter ended on March 31, 2009.

The Modaraba is not a going concern. A sum of Rs. 351,822 was earned on investment of the available liquidity whereas an amount of Rs. 299,863 was expended on administrative expenses. The unrealized loss on investment in shares amounted to Rs. 1,201,521. Accordingly the loss for the period of nine months stood at Rs. 1,149,562. The accumulated loss as at the end of the period stands at Rs. 144,335,699. Efforts are still continuing to dispose off the management rights of the Modaraba to a suitable investor.

For and on behalf of the Board of Directors

Karachi  
Date: 29th April, 2009

**Basheer A. Chowdry**  
Chief Executive

**BALANCE SHEET AS AT MARCH 31, 2009 (UNAUDITED)**

	Note	March 31, 2009 Rupees	June 30, 2008 Rupees
<b>ASSETS</b>			
Bank balances		<b>119,398</b>	647,228
Accrued markup / profit		<b>137,865</b>	83,789
Investment in marketable securities	5	<b>347,025</b>	1,548,546
Investment in musharakah arrangement		-	2,000,000
Investment in certificate of musharakah	6	<b>2,500,000</b>	-
Investment in term finance certificates	7	<b>1,295,400</b>	1,295,400
		<b>4,399,688</b>	5,574,963
<b>LIABILITIES</b>			
Accrued and other liabilities		<b>2,040,313</b>	2,064,176
Provision for taxation-net		<b>1,211,184</b>	1,213,033
Un-claimed dividend		<b>344,917</b>	344,917
		<b>3,596,414</b>	3,622,126
<b>NET ASSETS</b>			
		<b>803,274</b>	1,952,837
<b>REPRESENTED BY</b>			
<b>CERTIFICATE CAPITAL</b>			
<b>Authorized Capital</b>			
20,000,000 Modaraba Certificates of Rs. 10/- each		<b>200,000,000</b>	200,000,000
Issued, subscribed and paid up certificates	8	<b>136,400,000</b>	136,400,000
<b>RESERVES</b>			
Statutory reserve		<b>8,738,973</b>	8,738,973
Accumulated losses		<b>(144,335,699)</b>	(143,186,136)
		<b>803,274</b>	1,952,837
<b>CONTINGENCIES</b>			
	9		

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

**UNICAP MODARABA**

Managed by : AL-Zāmin Modaraba Management (Private) Limited Since 03-05-2000

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED MARCH 31, 2009 (UNAUDITED)**

	<b>Nine months ended March 31, 2009 Rupees</b>	<b>Nine months ended March 31, 2008 Rupees</b>	<b>Quarter ended March 31, 2009 Rupees</b>	<b>Quarter ended March 31, 2008 Rupees</b>
<b>INCOME</b>				
Profit on term finance certificates	<b>92,295</b>	135,729	<b>30,765</b>	45,243
Profit on musharakah arrangement	<b>144,328</b>	165,862	-	53,095
Profit on certificate of musharakah	<b>96,841</b>	-	<b>96,841</b>	-
Profit on pls account	<b>18,358</b>	164	<b>7,773</b>	164
	<b>351,822</b>	301,755	<b>135,379</b>	98,502
<b>EXPENSES</b>				
Administrative expenses	<b>(299,863)</b>	(212,540)	<b>(93,454)</b>	(47,779)
Unrealized (loss)/gain on revaluation of marketable securities	<b>(1,201,521)</b>	699,649	<b>(543,513)</b>	501,443
	<b>(1,149,562)</b>	788,864	<b>(501,588)</b>	552,166
<b>(LOSS)/PROFIT FOR THE PERIOD</b>	<b>(1,149,562)</b>	788,864	<b>(501,588)</b>	552,166
<b>EARNINGS PER CERTIFICATE</b>				
<b>BASIC AND DILUTED (RUPEES)</b>	<b>(0.084)</b>	0.058	<b>(0.037)</b>	0.040

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

**CASH FLOW STATEMENT  
FOR THE PERIOD ENDED MARCH 31, 2009 (UNAUDITED)**

	<b>March 31, 2009 Rupees</b>	<b>March 31, 2008 Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	<b>(1,149,562)</b>	788,864
<b>Adjustment for</b>		
Unrealized loss/(gain) on revaluation of marketable securities	<b>1,201,521</b>	(699,655)
Operating cash flow before working capital changes	<b>51,959</b>	89,209
<b>Changes in working capital</b>		
<b>Decrease/(Increase) in assets</b>		
Accrued markup / profit	<b>(54,076)</b>	19,636
<b>Increase/(decrease) in liabilities</b>		
Accrued and other liabilities	<b>(25,713)</b>	(112,137)
Un-claimed dividend	-	(324)
<b>Net cash (used in) operating activities</b>	<b>(27,830)</b>	(3,616)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Decrease/(Increase) in investments	<b>(500,000)</b>	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(527,830)</b>	(3,616)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>647,228</b>	14,245
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>119,398</b>	10,629

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR



## UNICAP MODARABA

Managed by : AL-Zāmin Modaraba Management (Private) Limited Since 03-05-2000

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2009 (UNAUDITED)

	Certificate Capital Rupees	Statutory Reserve Rupees	Accumulated (Losses) Rupees	Total Rupees
<b>Balance as at July 1, 2007</b>	136,400,000	8,582,134	(143,813,496)	1,168,638
Profit for the period	-	-	788,864	788,864
<b>Balance as at March 31, 2008</b>	136,400,000	8,582,134	(143,024,632)	1,957,502
<b>Balance as at July 1, 2008</b>	136,400,000	8,738,973	(143,186,137)	1,952,836
Loss for the period	-	-	(1,149,562)	(1,149,562)
<b>Balance as at March 31, 2009</b>	<b>136,400,000</b>	<b>8,738,973</b>	<b>(144,335,699)</b>	<b>803,274</b>

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

### NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2009

#### 1. STATUS AND ACTIVITIES

Unicap Modaraba (the mudarabah) is a multipurpose, perpetual Mudarabah floated in Pakistan in the year 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder, having its registered office at 104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi. The Mudarabah is listed on the Karachi, Lahore and Islamabad Stock Exchanges. The Mudarabah was managed, until May 03, 2000, by Chartered Management Services (Private) Limited and thereafter the management was transferred to Al-Zamin Modaraba Management (Private) Limited (the Mudarabah Management Company) as the registration of the former was cancelled by the Securities and Exchange Commission of Pakistan in view of the various irregularities committed.

The operations of the Mudarabah have been reduced to minimal level since the year 2000 and the present Mudarabah Management Company has no plans to revive the Mudarabah and intends to dispose off the management rights of the Mudarabah. Further, accumulated losses of the Mudarabah at balance sheet date are Rs.143,335,699 (June 30, 2008: Rs.143,186,136). Due to aforementioned reasons, the Mudarabah is not considered as going concern.

#### 2. STATEMENT OF COMPLIANCE

The Mudarabah is not a going concern, therefore, International Financial Reporting Standards (IFRSs) have not been applied in preparation of these financial statements in accordance with the Para 23 of IAS-1; "Presentation of Financial Statements".

These financial statements have been prepared in accordance with the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies & Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) [the Modaraba Regulations] in a condensed form. Condensed financial statements comprise of balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with selected explanatory notes.

These financial statements are un-audited but subject to limited scope review performed by the external auditors of the Modaraba in accordance with the requirements of clause (xxi) of the Code of Corporate Governance and they have issued their review report thereon. These financial statements are being submitted to the certificate holders as required under Modaraba regulations.

#### 3. BASIS OF PRESENTATION

As stated in note 1 the Mudarabah is not considered as going concern, therefore, these financial statements have been prepared on a basis other than going concern, which is as follows:

- All the assets are stated at their realisable value; and
- All liabilities are stated at amounts payable.

#### 4. ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these financial statements are the same as those applied in preparing the financial statements for the year ended June 30, 2008.

## 5. INVESTMENT IN MARKETABLE SECURITIES

### 5.1 Investments in listed companies and mutual funds\*

\* The face value of these shares/certificates is Rs. 10/- each, unless stated otherwise.

March 31, 2009	June 30, 2008		March 31, 2009	June 30, 2008
Number of shares/certificates			Rupees	Rupees
<b>400</b>	400	<b>Closed end Mutual Fund</b>	<b>696</b>	3,300
		First Capital Mutual Fund		
<b>17,438</b>	17,438	<b>Investment Companies and Banks</b>	<b>290,683</b>	1,219,788
<b>4,820</b>	4,820	First Dawood Investment Bank Limited		
<b>600,000</b>	600,000	First Capital Security Corporation Limited	<b>41,163</b>	285,344
		International Investment & Finance Services Limited (Note 9.1)	-	-
		<b>Leasing Companies</b>		
<b>1,268</b>	1,268	Pakistan Industrial & Commercial Leasing Limited	<b>305</b>	1,864
<b>250,000</b>	250,000	Universal Leasing Corporation Limited (Note 9.2)	-	-
		<b>Textile and Others</b>		
<b>10,200</b>	10,200	Colony Thal Textile Mills Limited	<b>14,178</b>	38,250
			<b>347,025</b>	1,548,546

### 5.2 These investments are stated at their quoted market prices as at balance sheet except for investments mentioned in note 9.1 and 9.2.

March 31, 2009	June 30, 2008
Rupees	Rupees
<b>2,500,000</b>	-

## 6. INVESTMENT IN CERTIFICATE OF MUSHARAKAH

The Mudarabah has invested in the certificate of musharakah of Al-Zamin Leasing Mudarabah, which is an associated undertaking, for a period of six months having maturity in June 2009. The expected rate of profit on this certificate of musharakah is 16% per annum.

## 7. INVESTMENT IN TERM FINANCE CERTIFICATES

Term finance Certificates  
(Al-Zamin Leasing Mudarabah-an associated undertaking)

March 31, 2009	June 30, 2008
Rupees	Rupees
<b>1,295,400</b>	1,905,000

These Term Finance Certificates (TFCs) have a maturity period of five years commencing from May 2005. The expected Profit rate on these Term Finance Certificates is 9.50% per annum payable half yearly.

These TFCs are secured by a floating charge on the un-encumbered leased assets and associated lease receivables of the Investee Mudarabah. The TFCs are listed on the Karachi Stock Exchange and currently carry an instrument rating of A (Single A) by JCR-VIS Credit Rating Company Limited.

These TFCs are stated at amount realisable from the Investee Mudarabah.

## 8. ISSUED, SUBSCRIBED AND PAID UP CERTIFICATES

10,000,000 Mudarabah Certificates of Rs. 10/- each  
fully paid in cash

March 31, 2009	June 30, 2008
Rupees	Rupees
<b>100,000,000</b>	100,000,000

3,640,000 Mudarabah Certificates of Rs. 10/- each  
as fully paid bonus certificates

March 31, 2009	June 30, 2008
Rupees	Rupees
<b>36,400,000</b>	36,400,000
<b>136,400,000</b>	136,400,000

## 9. CONTINGENCIES

### 9.1 Shares of International Investment and Finance Services Limited, were pledged against an advance obtained from Universal Leasing Corporation Limited. The lender arranged an unauthorized transfer of these shares in its name. The matter is disputed and a legal suit has been filed by the Mudarabah against Universal Leasing Corporation Limited.

### 9.2 An Ex-Director and Sponsor of Chartered Management Services (Private) Limited (ex-mudarabah management company) obtained financing from a bank against an unauthorized and illegal pledge of shares of Universal Leasing Corporation Limited belonging to the Mudarabah. After failing to recover the shares from the lender bank, the Mudarabah has filed a legal suit against the bank. A counter case has been filed by the lender seeking recovery of Rs 1,894,524, however in this regard the management does not foresee any liability to materialize.

The above mentioned cases are likely to take some time to conclude particularly due to the fact that the respective shares have reportedly been disposed off by the aforesaid counterparties. Necessary provisioning has been made in the books and accordingly the same appear at nil values in these financial statements.

### 9.3 The assessment of Mudarabah has been finalized for and upto the Tax year 2008.

The Tax Year 2003, corresponding with the Financial Year ended June 30, 2003, has been selected for tax audit under Section 177 of the Income Tax Ordinance, 2001 (the Ordinance). The Tax Audit is under process and pending to be finalized on the part of the Taxation Officer as the final show cause has duly been complied with. Moreover, the return of income had to be revised under the Ordinance. Under the original return of income, the tax liability was estimated at Rupees 45,755/- against which the Mudarabah had already suffered a deduction under section 153 of the Ordinance against the payment received by it for the sale of its land during the year. The return of income of the Mudarabah was revised under section 114(6) of the Ordinance based on the fact that the gain on sale of land made by Mudarabah during the year could not, inadvertently be excluded earlier while calculating the taxable profit/(loss) for the year. Since the gain on sale of land is not taxable under the Ordinance, the same was then duly excluded from the taxable income. Resultantly, a refund of Rupees 45,742/- was claimed in the revised return.

In the assessment years 2000-2001, 2001-2002 and 2002-2003 appeals have been preferred before the Honourable Income Tax Appellate Tribunal against the appellate orders of the Commissioner of Income Tax - Appeals, which may result in a maximum liability of Rs. 1 million. Moreover, the options to move to other forums available to Mudarabah by way of appeals and submissions before the FTO and ADRC are also under consideration. The management expects a favourable outcome from the above forums and, accordingly, no provision has been made in these financial statements.

<b>March 31, 2009 Rupees</b>	June 30, 2008 Rupees
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#### 10. TRANSACTION WITH RELATED PARTIES

Related parties include Al-Zamin Modaraba Management (Private) Limited being the Mudarabah Management Company and Al-Zamin Leasing Modaraba being Mudarabah under common management

##### **Al-Zamin Modaraba Management (Private) Limited-Management Company**

Operating expenses paid by the mudarabah management company	-	200,316
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##### **Al-Zamin Leasing Modaraba-an associated undertaking**

Profit earned on investment made	<b>333,464</b>	396,859
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#### 11. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 29th April 2009 by the Board of Directors of the Management Company.

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

#### BOARD OF DIRECTORS

The Board of Directors of Al-Zamin Modaraba Management (Pvt) Limited comprises of eminent professionals and businessmen having rich experience and strong relationship in domestic and international banking circles. The members of the Board are as follows:

Mr. Zafar Iqbal	Chairman
Mr. Basheer Ahmed Chowdry	Chief Executive
Mr. Manzoor Hussain Shah Kazmi	Director
Mr. Sohail Ansar	Director
Mr. Mohammad Aslam Khan	Director
Mr. Najib Amanullah	Director
Mr. Shiekh Arshad Farooq	Director
Mr. Muhammad Kamal Abdul Nasir	Director
Mr. Mohammad Imranul Haque	Director
Dr. Namoos Baquar	Director
Mr. Anis Wahab Zuberi	(Nominee of National Investment Trust)
Mr. Muhammad Zahid	(Nominee of Zahidjee Fabrics (Pvt) Ltd.)
Mr. Rashid Ahmed	(Nominee of National Investment Trust)

#### Management

Mr. Basheer Ahmed Chowdry	Chief Executive
Mr. Mohammad Moizul Haque	Chief Operating Officer
Mr. Ansar Husain	Executive Director
Ms. Hamida Aqeel	Company Secretary
Mr. Mohammad Naim Ashraf	Chief Financial Officer
Ms. Roomana Nasir	Advisor

#### Registered Office

104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi-75600, Pakistan.  
Tel : 111-111-303, 5873373, 5876651, 5876652 Fax : 5837586, 5870408, 5838304  
e-mail : contact@alzamin.com.pk Website : www.alzamin.com.pk