

Directors' Report to the Certificate Holders

The Directors take pleasure in presenting 3rd Quarterly Report and un-audited financial statements of Modaraba for the period ended 31st March 2006.

By the grace of Al Mighty Allah, significant improvement of 26% is witnessed in the profit of Modaraba for the period compared to previous fiscal period, due to enhancement in profit of Musharika share of CNG project and consequently earning per share has increased to Rs.1.88 for the period under review against Rs.1.49 of the previous financial period.

Financial Highlights

A comparison of financial results is summarized below:

	Financial period <u>31.03.2006</u>	Financial period <u>31.03.2005</u>
	<u>Rupees</u>	<u>Rupees</u>
Profit from Morabaha:	6,267,463	8,224,920
Profit from Musharika CNG Project:	9,161,699	5,808,638
Others:	<u>639,054</u>	<u>498,472</u>
Total Revenue:	16,068,216	14,532,030
<u>Less:</u>		
Total operating expenses and Morabaha profit paid:	<u>(3,844,137)</u>	<u>(4,837,445)</u>
Operating Profit:	12,224,079	9,694,585
<u>Less:</u>		
Management Fee:	<u>(1,222,408)</u>	<u>(969,459)</u>
Profit for the period:	<u>11,001,671</u>	<u>8,725,127</u>
Earning per certificate:	1.88	1.49

4th CNG Station:

As reported in Half Yearly Report, an Agreement was signed for the establishment of 4th CNG Station at Usman Shah Goth, on Hyderabad-Mirpurkhas Road, near Hyderabad, and it is expected that the station will be operational in August/September, 2006.

We bring on record our deep appreciation for the cooperation of Registrar Modaraba, Securities & Exchange Commission of Pakistan and State Bank of Pakistan. The cooperation extended by Modaraba staff is also highly appreciated.

For and on behalf of Board

Date: 27th April, 2006

Abdul Ghaffar Umer
Chief Executive