



FIRST PARAMOUNT MODARABA

(An Islamic Financial Institution)
Managed by: Paramount Investments Limited

ANNUAL REPORT | 2021

For Long Term 'BBB', For Short Term A-3
Out Look - 'Stable'
VIS Credit Rating Company

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Mission & Vision

1. It is our firm commitment to operate the Modaraba activities in accordance with Islamic Shariah with its true spirit.
2. To employ the Modaraba funds in best possible way and to promote the human talents, to maximize the profit for certificate holders.
3. It is our mission to constantly endeavour for excellence in all spheres of business activity, maintain its eminent market position, promote lasting relationship with our customers and other stakeholders, and construct a durable and vibrant Pakistan.



STATEMENT OF ETHICS AND BUSINESS PRACTICES

We believe a complete code of ethics is a prerequisite for all Directors and employees of First Paramount Modaraba. We endeavour to the philosophy behind the code of ethics to carry out honestly activities assigned to them. Our aim is to have highest standard of excellence for the product and the betterment for all those involved directly or indirectly with our Modaraba.

CORPORATE INFORMATION
FIRST PARAMOUNT MODARABA
MANAGED BY: PARAMOUNT INVESTMENTS LIMITED

BOARD OF DIRECTORS

Mr. Tanveer Ahmed Magoon	Chairman
Mr. Syed Wajih Hassan	Chief Executive Officer
Mr. Nadeem Iqbal	Director
Mr. Pir Muhammad Kalia	Director
Mr. Abrar Ahmed	Director
Mr. Habib Ahmed Navaid	Independent Director
Mr. Humayun Mazhar Qureshi	Independent Director

AUDIT COMMITTEE

Mr. Habib Ahmed Navaid	Chairman
Mr. Pir Muhammad Kalia	Member
Mr. Nadeem Iqbal	Member

HUMAN RESOURCE COMMITTEE

Mr. Humayun Mazhar Qureshi	Chairman
Mr. Tanveer Ahmed Magoon	Member
Mr. Nadeem Iqbal	Member
Mr. Syed Wajih Hassan	Member

CHIEF FINANCIAL OFFICER / COMPANY SECRETARY

Mr. Ammad Jamal

SHARIAH ADVISOR

Mufti Muhammad Farhan Farooq

SHARIAH CONSULTANT

Mufti Muhammad Najeeb Khan

CREDIT RATING

Long term **BBB**

Short Term **A-3**

Out Look **Stable**

By **VIS Credit Rating Company**

AUDITORS OF THE MODARABA

M/s Riaz Ahmed & Co
Chartered Accountants

AUDITORS OF THE MODARABA MANAGEMENT COMPANY

M/s Rahim Jan & Co.
Chartered Accountants

LEGAL ADVISOR

M/s Raja Qasit Nawaz, Advocates

BANKERS

Meezan Bank Limited
Bank Islami Pakistan Limited
Al Baraka Bank (Pakistan) Limited
Habib Metropolitan Bank Limited -Islamic Banking
Habib Bank Limited
Faysal Bank Limited

REGISTERED OFFICE

Suit # 107, 108, 1st Floor, P.E.C.H.S. Community Office Complex,
Block-2 PECHS, Shahrah-e-Quaiden, Karachi.
Phone: 34381037-38-52 & 34381101. Fax: 34534410
E-mail: info@fpm.com.pk
Web: www.fpm.com.pk

SHARE REGISTRAR

THK ASSOCIATES (PVT) LTD.
Plot No-32-C, Jami Commercial Street 2,
DHA Phase VII Karachi – 75500, Telephone No: 021-111-000-322,
Fax No: 021-35310191.
Web: www.thk.com.pk
Email: sfc@thk.com.pk

DIRECTORS REPORT TO THE CERTIFICATE-HOLDERS OF FIRST PARAMOUNT MODARABA

The Directors of Paramount Investment Limited, Management Company of First Paramount Modaraba, are pleased to present the duly audited financial statements for the financial year ended on 30th June 2021, along with Shariah Advisor's report and Report of External Auditors to the Certificate Holders.

The Year was marked of challenges for Modaraba Industry. Impacts of COVID-19 pandemic loomed large over the economy, for most of the year. Some of the businesses are still struggling to survive. Biggest challenge for Modaraba for whole of the year was to make investments only in the sectors of economy that are least impacted with the pandemic. Alhamdulillah, management was successful in their effort and there are no new doubtful debtors in the Portfolio. Due to this cautious approach, pace of Modaraba's investments was slow during the year.

In the month of March 2021, SECP issued "The Modaraba Regulations 2021". Among other stipulations, there is a condition in these Regulations that requires FPM (being a Deposit Taking Modaraba) to enhance its Equity to 500 Million Rupees. With the help of NBFI Association, FPM has submitted a year-wise plan to raise its Equity level from PKR 200 Million to PKR 500 Million, in a period of Five years. FPM is fully geared to standby its pledge and fulfil this plan.

Another big challenge that Modaraba Industry now facing is that of Corporate Taxation. Upto June 2021, Modarabas could avoid Corporate taxes if they have distributed 90% of their profits among Certificate holders, by way of dividends. Modaraba's Net Income is now subjected to Corporate Taxation. Considering compromised profitability of the Modaraba Industry - because of high business costs and draught of Liquidity sources, this single factor will haunt the Industry most in the coming years.

In these trying circumstances, the Modaraba, Alhamdulillah, has posted a net profit of Rs.7,703,080/- for the period ended June 30th 2021 as compared to Rs. 6,497,384/-for the same period last year (net increase of 18.5%). Earnings per Share' for the period is Rs. 0.56 while it was at Rs. 0.47 for the last year.

There are three reasons that force us to remain optimistic even in these demanding times, i.e.:

- FPM's in-house venture "FPM Petro Services" is now back on track and making good profits.
- FPM's new in-house venture – "FPM AML/CFT facility", is now at the profit making stage. They have enrolled-in some of Industry's giants and, also, have created a unique niche in the business by introducing indigenous domestic "PEPs" database, with a tested screening engine. This business will InshAllah add a new robust Revenue stream in the FPM's Business.
- A systematic injection of Capital is planned from the end of this calendar year. Since FPM's current IT and HR resources are enough to cater this enhancement in Equity, Net profits are likely to increase in favorable proportion.

Financial Results:

Financial results are summarized as under:

	Year ended 30 th June, 2021 (Amount in Rupees)	Year ended 30 th June, 2020 (Amount in Rupees)
Profit after Taxation	7,703,080	6,497,384
Add: Unappropriated profit/(loss) brought forward	16,193,662	15,821,702
Profit available for appropriation	23,896,742	22,319,086
APPROPRIATIONS		
Profit distribution @ 4.5 % (2020 @3.5%)	(6,204,789)	(4,825,947)
Statutory reserve 20% (2020 @20%)	(1,540,616)	(1,299,477)
Unappropriated profit carried forward	16,151,337	16,193,662
EPC	0.56	0.47

Dividend:

The Board, in its meeting held on October 01, 2021, has approved the distribution of profit of Rs. 0.45 (4.5%) per certificate (2020: Rs.0.35 i.e 3.5%) of Rs. 10 each, subject to deduction of zakat and tax at source where applicable, for the year ended June 30, 2021.

An amount of Rs. 1.540 million has been transferred to statutory reserve in compliance with the Prudential Regulations for Modarabas which require that not less than 20% and not more than 50% of the Modaraba's after tax profit be transferred to such reserve till such time as the reserve equals 100% of the paid-up capital.

Compliance with Code of Corporate Governance:

As required by the Code of Corporate Governance, your Directors are pleased to report that:

- The financial statements prepared by the management of the Modaraba present fairly its true state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Modaraba have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan have been followed in preparation of financial statements.
- The system of internal control is sound and has been effectively implemented and monitored.
- The Modaraba is financially sound and there is no reason whatsoever to doubt its ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulation of the Stock Exchange(s) and;
- Board of Directors has total 7 directors including CEO. The composition of the board is as follows:
 - Male: 7
 - Female: 0

Name of Director
Mr. Tanveer Ahmed Magoon, Chairman
Syed Wajih Hassan, Chief Executive
Mr. Pir Muhammad Kalia, Director
Mr. Abrar Ahmed, Director
Mr. Nadeem Iqbal, Director
Mr. Humayun Mazhar Qureshi, Independent Director
Mr. Habib Ahmed Navaid, Independent Director

- During the year under review, Six (06) meetings of the Board of Directors were held. Attendance by each director was as follows:

Name of Director	Meetings Eligibility	Meeting Attended
Mr. Tanveer Ahmed Magoon, Chairman	6	3
Syed Wajih Hassan, Chief Executive	6	5
Mr. Pir Muhammad Kalia, Director	6	5
Mr. Abrar Ahmed, Director	6	3
Mr. Nadeem Iqbal, Director	6	5
Mr. Humayun Mazhar Qureshi, Independent Director	6	5
Mr. Habib Ahmed Navaid, Independent Director	6	6

- j) During the year, four (04) meetings of the Audit Committee were held. Attendance by each member was as follows:

Name of Director	Meetings Eligibility	Meeting Attended
Mr. Habib Ahmed Navaid, Chairperson	4	4
Mr. Pir Muhammad Kalia, Member	4	4
Syed Wajih Hassan, Member	4	3
Mr. Nadeem Iqbal, Member	4	3

- k) During the year, one (01) HR meeting was held. Attendance by each member was as follows:

Name of Director	Meetings Eligibility	Meeting Attended
Mr. Humayun Qureshi, Chairperson	1	1
Mr. Tanweer Ahmed Magoon, Member	1	1
Syed Wajih Hassan, Member	1	1
Mr. Nadeem Iqbal, Member	1	1

Director Remuneration

The remuneration of the director for attending meetings of the board or any Committee of the Board is determined under the Director's Compensation Policy adopted by First Paramount Modaraba.

Shari'ah Advisor's Report

The Modaraba continues to seek guidance from its Shari'ah Advisor, Mufti Farhan Farooq as and when required to ensure full compliance to Shari'ah Audit mechanism developed in consultation with Registrar Modaraba.

External Auditors

On the recommendation of the Audit Committee, the Board has approved the appointment of the auditors M/s. Riaz Ahmed & Co, Chartered Accountants as auditors for the year ending June 30, 2022 subject to approval by the Registrar Modaraba Companies and Modarabas.

Acknowledgement

The Management and the Board of Directors hereby offer thanks of manifold of the continuance patronage and coordination especially of the Registrar Modarabas, Securities And Exchange Commission of Pakistan, Islamabad, and State Bank of Pakistan.

We also put to our staff members in the scale of appreciation who really showed their agility in the completion of the given task.

For and on behalf of Board of Directors
Paramount Investments Limited (P.I.L.)
Managers of First Paramount Modaraba

Syed Wajih Hassan
Chief Executive Officer

Karachi
Date: October 01st 2021

- مالی سال کے دوران، آڈٹ کمیٹی کے چار (04) اجلاس منعقد ہوئے۔ جن کی حاضری حسب ذیل تھی:

ڈائریکٹرز کے نام	اجلاسوں میں مطلوبہ شرکت	اجلاسوں میں شرکت
حبیب احمد نوید صاحب، چیئرمین	4	4
پیر محمد کالیہ صاحب، ممبر	4	4
سید وجیہہ حسن صاحب، ممبر	4	3
ندیم اقبال صاحب، ممبر	4	3

- مالی سال کے دوران، ایک ایچ آر کمیٹی کا ایک (01) اجلاس منعقد ہوا۔ جس کی حاضری حسب ذیل تھی:

ڈائریکٹرز کے نام	اجلاسوں میں مطلوبہ شرکت	اجلاسوں میں شرکت
ہمایوں مظہر قریشی صاحب، چیئرمین	1	1
تنویر احمد گل صاحب، ممبر	1	1
سید وجیہہ حسن صاحب، ممبر	1	1
ندیم اقبال صاحب، ممبر	1	1

ڈائریکٹرز کا مشاہرہ:

ڈائریکٹرز کی بورڈ کے کسی بھی اجلاس میں شرکت پیر لمانٹ انویسٹمنٹ لیمینڈ کی متعین کردہ ڈائریکٹرز ذریعہ مالیاتی پالیسی کے تحت مقرر کی جاتی ہے۔

شرعیہ ایڈوائزر رپورٹ:

مضاربہ مستقل طور پر شرعی مشیر مفتی فرحان فاروق کی زیر ہدایت کام کر رہا ہے اور حسب ضرورت اس بات کو یقینی بنا رہا ہے کہ تمام مالیاتی معاملات شرعیہ آڈٹ کمیٹی کے تحت انجام دیئے جائیں جو رجسٹرار مضاربہ کی ہدایات کے مطابق ہوں۔

آڈٹ کمیٹی کی سفارشات کو مد نظر رکھتے ہوئے بورڈ نے آئندہ مالی سال، جو 30 جون 2022 کو اختتام پزیر ہوگا، کے لئے میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آڈیٹر مقرر کیا ہے جو رجسٹرار مضاربہ کی منظوری سے مشروط ہوگا۔

مضاربہ کی انتظامیہ اور بورڈ آف ڈائریکٹرز ان تمام اداروں اور افراد جن کی مسلسل حمایت اور تعاون ہمیں حاصل رہا، کے مشکور ہیں خصوصاً رجسٹرار مضاربہ، سکیورٹی اینڈ انکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کا شکریہ ادا کرتے ہیں۔

ہم تمام اسٹاک کی کارکردگی کے بھی معترف ہیں جنہوں نے واقعتاً دیئے گئے اہداف کو مکمل کرنے میں تہدی کا مضاربہ کیا۔ فرسٹ پیر لمانٹ مضاربہ کے منجور ادارہ فرسٹ پیر لمانٹ انویسٹمنٹ لیمینڈ کے بورڈ آف ڈائریکٹرز کی جانب سے

سید وجیہہ حسن

چیف ایگزیکٹو آفیسر

کراچی

یکم اکتوبر، 2021

۔ اسناک انکسچینج کی لسٹنگ ریگولیشن میں مذکورہ کوڈ آف کورپوریٹ گورننس کی بہترین روایات سے مضاربہ نے کبھی ایسی روگردانی نہیں کی جو قابل محاسبہ ہو۔

بورڈ آف ڈائریکٹرز کے کل ارکان کی تعداد 7 ہے جس میں 6 ڈائریکٹرز اسر سی ای او شامل ہیں، بورڈ آف ڈائریکٹرز کی تنظیم درج ذیل ہے:

ڈائریکٹرز کے نام
تنویر احمد مگوں صاحب، چیئر مین
سید وجیہہ حسن صاحب، چیف ایگزیکٹو
پیر محمد کالیہ صاحب، ڈائریکٹر
ابرار احمد صاحب، ڈائریکٹر
ندیم اقبال صاحب، ڈائریکٹر
ہمایوں مظہر قریشی صاحب، آزاد ڈائریکٹر
حبیب احمد نوید صاحب، آزاد ڈائریکٹر

• مالی سال کے دوران، بورڈ آف ڈائریکٹرز کے چھ (06) اجلاس منعقد ہوئے۔ جن کی حاضری حسب ذیل تھی:

ڈائریکٹرز کے نام	اجلاسوں میں مطلوبہ شرکت	اجلاسوں میں شرکت
تنویر احمد مگوں صاحب، چیئر مین	6	3
سید وجیہہ حسن صاحب، چیف ایگزیکٹو	6	5
پیر محمد کالیہ صاحب، ڈائریکٹر	6	5
ابرار احمد صاحب، ڈائریکٹر	6	3
ندیم اقبال صاحب، ڈائریکٹر	6	5
ہمایوں مظہر قریشی صاحب، آزاد ڈائریکٹر	6	5
حبیب احمد نوید صاحب، آزاد ڈائریکٹر	6	6

مالی نتائج:

مالی نتائج مختصر آدرج ذیل ہیں:

30 جون، 2021 کو ختم ہونے والا سال (روپے میں رقم)	30 جون، 2020 کو ختم سال (روپے میں رقم)	
7,703,080	6,497,384	منافع بعد از ٹیکس
16,193,662	15,821,702	سال کے آغاز پر غیر منقسم شدہ منافع
23,896,742	22,319,086	منافع دستیاب برائے تقسیم
		اختصاصات
(6,204,789)	(4,825,947)	ویڈیو بنڈ برائے تقسیم
(1,540,616)	(1,299,477)	منقول برائے قانونی ذخائر
16,151,337	16,193,662	سال کے اختتام پر غیر منقسم شدہ منافع
0.56	0.47	آمدن فی حصص

منافع منقسمہ:

بورڈ آف ڈائریکٹرز نے یکم اکتوبر 2021 کو ہونے والے اجلاس میں 0.45 روپے فی سرٹیفکیٹ (4.5%) (2020: 0.35 روپے 3.5%) کے منافع کی تقسیم کی منظوری دی ہے۔ زکوٰۃ اور ٹیکس کی کٹوتی 30 جون 2021 کو ختم ہونے والے سال پر لاگو ہوگی۔

1.540 ملین روپے کی رقم مضاربہ کے لیے پریڈینشل ریگولیشنز کے مطابق قانونی ریزرو میں منتقل کی گئی ہے جس کے مطابق جب تک ریزرو ادا شدہ سرمائے کے 100 فیصد کے برابر نہیں ہو جاتا، 20 فیصد سے کم نہیں اور 50 فیصد سے زیادہ نہیں مضاربہ کے ٹیکس کے بعد کا منافع ریزرو میں منتقل کیا جائے گا۔

کوڈ آف کارپوریٹ گورننس کی پاسداری:

جیسا کہ کوڈ آف کارپوریٹ گورننس کا تقاضا ہے، آپ کی کمپنی کے ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- مضاربہ کی انتظامیہ کی جانب سے تیار کی جانے والی مالی دستاویزات، شفاف انداز سے کمپنی کے معاملات، کاروباری نتائج، نقد رقوم کی ترسیل اور سرمایہ پر مبنی حصص میں رد و بدل کی نمائندگی کرتی ہے۔

- مضاربہ کی جانب سے محاسبی کے کھاتوں کو باقاعدہ محفوظ رکھا جاتا ہے۔

ڈائریکٹر رپورٹ برائے سرٹیفکیٹ ہولڈرز، فرسٹ پیراماؤنٹ مضاربہ:

پیراماؤنٹ انویسٹمنٹس لمیٹڈ کے ڈائریکٹر، فرسٹ پیراماؤنٹ مضاربہ کی مینجمنٹ کمپنی، 30 جون 2021 کو ختم ہونے والے مالی سال کے لئے قانونی طور پر آؤٹ شدہ مالی نتائج بشمول شرعی مشیر کی رپورٹ اور آڈیٹر رپورٹ پیش کرنے پر مسرت محسوس کرتے ہیں۔

یہ سال مضاربہ انڈسٹری کے لیے چیلنجوں کا حامل رہا۔ معیشت پر COVID-19 وبائی امراض کے اثرات سال کے بیشتر حصوں میں رہے۔ کچھ کاروبار اب بھی مستحکم ہونے کے لیے جدوجہد کر رہے ہیں۔ پورے سال کے لیے مضاربہ کے لیے سب سے بڑا امتحان صرف معیشت کے ان شعبوں میں سرمایہ کاری کرنا تھا جو اس وبائی مرض سے کم سے کم متاثر ہوئے ہیں۔ الحمد للہ، انتظامیہ اپنی کوشش میں کامیاب رہی اور پورٹ فولیو کا کوئی حصہ ناقابل وصول نہیں ہے۔ اس محتاط انداز کی وجہ سے، مضاربہ کی سرمایہ کاری کی رفتار دوران سال ست رہی۔

مارچ 2021 میں، ایس ای سی پی نے "دی مضاربہ ریگولیشنز 2021" جاری کیے۔ دیگر شرائط کے علاوہ، ان ریگولیشنز میں ایک شرط یہ بھی ہے کہ ایف پی ایم (جو کہ ایک ڈپازٹ ٹیکنیک مضاربہ ہے) کو اپنی ایکویٹی کو 500 ملین روپے تک بڑھانا ہو گا۔ این بی ایف آئی ایسوی ایشن کی مدد سے، ایف پی ایم نے پانچ سال کی مدت میں اپنی ایکویٹی لیول 200 ملین روپے سے بڑھا کر 500 ملین روپے کرنے کا سالانہ منصوبہ پیش کیا ہے۔ ایف پی ایم مکمل طور پر تیار ہے کہ وہ اپنے عہد کی پاسداری کرتے ہوئے اس ہدف کو پورا کرے۔

ایک اور بڑا چیلنج جس کا اب مضاربہ انڈسٹری کو سامنا ہے وہ کارپوریٹ ٹیکسیشن ہے۔ جون 2021 تک مضاربہ کارپوریٹ ٹیکس سے بچ سکتے تھے اگر انہوں نے اپنے منافع کا 90 فیصد سرٹیفکیٹ ہولڈرز میں تقسیم کیا ہو۔ مضاربہ کی خالص آمدنی اب کارپوریٹ ٹیکس کے تابع ہو گئی۔ مضاربہ انڈسٹری کا سمجھوتہ شدہ منافع، زیادہ کاروباری اخراجات اور لیکویڈیٹی ذرائع کے مسودے کی وجہ سے، یہ واحد عنصر آنے والے برسوں میں انڈسٹری کے لیے سب سے زیادہ پریشان کن ہو گا۔

ان مشکل حالات کے باوجود، مضاربہ نے، الحمد للہ، 30 جون 2021 کو ختم ہونے والے مالی سال میں - / 7,703,080 روپے (18.5 فیصد کے اضافے کے ساتھ) کا خالص منافع حاصل کیا جبکہ پچھلے سال اسی مدت کے لیے یہ منافع - / 6,497,384 تھا۔ اس سال فی حصص آمدنی 0.56 روپے ہے جبکہ پچھلے سال یہ 0.47 روپے تھی۔

تین وجوہات ہیں جو ہمیں اس مشکل وقت میں بھی پر امید رکھتی ہیں، یعنی:

- ایف پی ایم کا اندرون ملک وینچر "ایف پی ایم ہیڈروسرورسز" دوبارہ اپنے راستے پر آگیا ہے اور اچھا منافع کما رہا ہے۔

- ایف پی ایم کا نیا اندرون خانہ منصوبہ - "ایف پی ایم اے ایم ایل / سی ایف ٹی سہولت"، اب منافع کمانے کے مرحلے پر ہے۔ جس نے انڈسٹری کے کچھ بڑے اداروں کے ساتھ معاہدہ کیا ہے اور، ایک اسکریننگ انجن کے ساتھ، مقامی "PEPs" ڈیٹا میں کو متعارف کروا کر انڈسٹری میں ایک منفرد مقام پیدا کیا ہے۔ یہ وینچر FPM کے کاروبار میں ایک سنگ میل ثابت ہو گا۔

- اس سال کے آخر تک ایک منظم سرمایہ کاری کا منصوبہ زیر عمل ہے۔ چونکہ ایف پی ایم کے موجودہ آئی ٹی اور ایچ آر وسائل ایکویٹی میں اس اضافے کو پورا کرنے کے لیے کافی ہیں، اس لیے خالص منافع میں یقینی اضافے کا امکان ہے۔

Key Operating & Financial Data

Particulars	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited
Paid up Capital	58,633,330	76,223,330	83,845,663	119,899,298	137,884,193	137,884,193	137,884,193	137,884,193	137,884,193	137,884,193
Certificate Holders Equity	153,804,949	175,671,354	179,492,026	206,414,825	215,768,010	212,606,944	213,140,985	215,574,162	208,283,126	211,160,259
Current Liabilities	42,062,560	42,547,400	61,773,184	88,724,801	89,490,384	66,711,658	103,055,448	115,966,875	107,858,491	126,082,536
Total Liabilities	115,362,201	111,772,182	141,575,613	233,436,683	294,677,925	253,252,834	231,075,013	251,369,936	238,991,697	247,114,968
Fixed Assets	31,698,742	52,561,369	60,188,077	55,644,542	34,152,161	24,617,224	24,786,815	18,753,478	17,349,264	17,196,015
Current Assets	164,523,535	158,083,708	183,981,874	283,868,931	377,680,851	348,040,978	316,175,993	320,058,362	349,137,811	364,902,298
Total Assets	269,167,150	266,954,068	321,067,638	439,851,508	510,445,965	465,859,778	444,215,971	466,944,098	447,274,823	458,275,227
Operating Profit	26,506,919	18,564,957	14,013,133	11,473,070	14,734,586	8,113,241	12,545,848	13,656,108	7,342,015	8,576,445
Profit before Tax	23,573,487	16,411,422	12,387,610	10,153,667	13,040,109	7,180,218	11,060,928	12,085,098	6,497,384	7,703,080
Taxation	-	-	-	-	-	-	195,939	-	-	-
Profit after Tax	23,573,487	16,411,422	12,387,610	10,153,667	13,040,109	7,180,218	10,864,989	12,085,098	6,497,384	7,703,080
Dividend	23.50%	11.00%	13.00%	8.00%	7.50%	7.00%	7.00%	10.00%	3.50%	4.50%
Bonus Certificate	0.00%	10.00%	10.00%	15.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Earning per Certificate	4.02	2.20	1.48	1.02	0.95	0.52	0.79	0.88	0.47	0.56
Break-up Value	26.23	23.05	21.41	17.22	15.65	15.42	15.46	15.63	15.11	15.31

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

First Paramount Modaraba ("the Modaraba") managed by
Paramount Investments Limited (the Management Company)

For The Year Ended 30 June 2021

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven (07) as per the following:

- a. Male: 7
- b. Female: -

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Humayun Mazhar Qureshi Mr. Habib Ahmed Navaid
Non-Executive Directors	Mr. Tanveer Ahmed Magoon Mr. Nadeem Iqbal Mr. Pir Muhammad Kaliya Mr. Abrar Ahmed
Executive Director	Mr. Syed Wajih Hassan (Chief Executive Officer)

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including the Management Company;
4. The Management Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Management Company along with its supporting policies and procedures;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
9. Out of seven, four Directors meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' training program. However, among the remaining three Directors, one Director will complete the required training by October 2021. The remaining two directors will attain the certification in due course;
10. No new appointment of CFO and Company Secretary has been made during the year;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Names	Designation held
Mr. Habib Ahmed Navaid	Chairperson
Mr. Nadeem Iqbal	Member
Mr. Pir Muhammad Kaliya	Member

b) HR and Remuneration Committee

Names	Designation held
Mr. Humayun Mazhar Qureshi	Chairperson
Mr. Tanveer Ahmed Magoon	Member
Mr. Nadeem Iqbal	Member
Mr. Syed Wajih Hasan	Member

c) Risk Management & Credit Committee

Names	Designation held
Mr. Nadeem Iqbal	Chairperson
Mr. Habib Ahmed Navaid	Member
Mr. Tanveer Ahmed Magoon	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly / half yearly / yearly) of the committees were as per following:

a) Audit Committee

Four quarterly meetings were held during the financial year ended 30 June 2021.

b) HR and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended 30 June 2021.

15. The board has an effective internal audit function (outsourced to a firm of chartered accountants) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Management Company.
16. The statutory auditors of the Management Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Management Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with except of the following;
- a) Regulation 7 requires that the Board shall have at least one female director when it is reconstituted after the expiry of its current term. However, no female director was elected at the time of election of directors held during the year.
19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation of Non-compliance	Regulation No.
1.	Appointment of Company Secretary The same person shall not simultaneously hold office of Chief Financial Officer and the Company Secretary of a listed company.	Currently, the Chief Financial Officer is acting as Company Secretary of the Management Company till the position of Company Secretary is fulfilled. The Board shall consider appointing Company Secretary on urgent basis and complying with the requirement of the Regulation.	24
2.	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee. The Board shall consider constituting nomination committee after next election of directors.	29
3.	Composition of internal audit function The Internal audit function, wholly or partially, may be outsourced by the Company to a professional services firm or be performed by the internal audit staff of holding company and in lieu of outsourcing, the company shall appoint or designate a fulltime employee other than Chief Financial Officer, as head of internal audit holding equivalent qualification prescribed under these regulations, to act as coordinator between firm providing internal audit services and the Board.	The management company is seeking a person with prescribed qualification for the position of the Head of internal audit in the company.	31(6)

4.	Directors Training It is encouraged that by June 30, 2021 at least 75% of the Directors on the Board have acquired prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by commission and approved by it.	Out of seven, four Directors meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' training program. However, among the remaining three Directors, one Director will complete the required training by October 2021. The remaining two directors will attain the certification in due course;	19(1)(b)
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20. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.

TANVEER AHMED MAGOON
Chairman

October 1, 2021
Karachi

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF FIRST PARAMOUNT MODARABA

To the members of First Paramount Modaraba

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Paramount Investments Limited ("the Management Company") for the year ended 30 June 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks.

The Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Management Company for the year ended 30 June 2021.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected or not in the paragraph reference where these are stated in the Statement of Compliance:

Sr. No.	Paragraph reference	Description
(i)	18	As per regulations 7 of the Regulations, the Board shall have at least one female director when it is reconstituted after the expiry of its current term. However, no female director was elected at the time of election of directors held during the year.
(iii)	19	As per regulation 24 of the regulations, the same person shall not simultaneously hold office of chief financial officer and company secretary of a listed company. However, the same person is currently acting both as a CFO and company secretary at the same time.

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

Date: 01 October 2021

AUDITORS' REPORT TO THE CERTIFICATE HOLDERS

We have audited the annexed balance sheet of FIRST PARAMOUNT MODARABA ("the Modaraba") as at 30 June 2021 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the financial statements), for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

These financial statements are the Modaraba Management Company's (Paramount Investments Limited) responsibility who is also responsible to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), and the Modaraba Companies and Modaraba Rules, 1981. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies and significant estimates made by the Modaraba Management Company, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts have been kept by the Modaraba Management Company in respect of the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), and the Modaraba Companies and Modaraba Rules, 1981;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981, and are in agreement with the books of accounts and are further in agreement with accounting policies consistently applied;

- (ii) the expenditure incurred during the year was for the purpose of the Modaraba's business; and
- (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects, terms and conditions of the Modaraba;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), and the Modaraba Companies and Modaraba Rules, 1981, in the manner so required and respectively give a true and fair view of the state of the Modaraba's affairs as at 30 June 2021 and of the profit, its comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Modaraba and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the engagement resulting in this independent auditor's report is Junaid Ashraf.

RIAZ AHMAD & COMPANY
Chartered Accountants

October 1, 2021

KARACHI

Shariah Advisor's Report

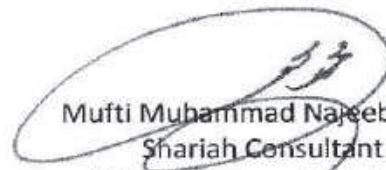
I have conducted the Shariah review of First Paramount Modaraba managed by Paramount Investments Limited Modaraba Company for the financial year ended June 30th 2021, in accordance with the requirements as reported hereunder, in my opinion:

1. The Modaraba has introduced a mechanism which has strengthened the Shariah compliance in letter and spirit and the systems, procedures and policies adopted by the Modaraba are in line with the Shariah principles.
2. The agreement(s) entered into by the Modaraba are Shariah compliant and the financing agreement(s) have been executed on the formats as approved by the Religious Board and all the related conditions have been met.
3. To the best of my information and according to the explanations given to me, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shariah requirements as well as the requirements of the Prospectus, Islamic Financial Accounting Standards as applicable in Pakistan and the Shariah Compliance and Shariah Audit Regulations for Modaraba's.
4. Profit sharing ratios, profits and charging of losses (if any) relating to any deposit raising product conforms to the basis and principles of Shariah.

Dated: September 1, 2021



Mufti Muhammad Farhan Farooq
Shariah Advisor
of First Paramount Modaraba
Managed By Paramount Investments Limited



Mufti Muhammad Najeem Khan
Shariah Consultant
of First Paramount Modaraba
Managed By Paramount Investments Limited

**FIRST PARAMOUNT MODARABA
BALANCE SHEET
AS AT 30 JUNE 2021**

	Note	2021 Rupees	2020 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	5	17,196,015	17,349,264
Murabaha financing	6	58,500,641	54,390,989
Diminishing musharaka financing	7	4,714,304	13,180,790
Musharaka financing	8	12,000,000	12,000,000
Loan to employees	9	581,000	874,000
Long-term deposits		380,969	341,969
		93,372,929	98,137,012
CURRENT ASSETS			
Stores and spares		3,619,496	6,793,783
Trade debtors	10	58,187,619	48,406,541
Advances, prepayments and other receivables	11	35,189,949	39,614,254
Modaraba financing	12	8,898,222	10,594,532
Short-term murabaha financing	13	5,063,741	3,358,741
Current portion of murabaha financing	6	82,050,659	78,202,593
Current portion of diminishing musharaka financing	7	10,340,621	20,695,384
Current portion of musharaka financing	8	28,000,000	28,011,470
Current portion of loans to employees	9	360,000	350,000
Accrued profit	14	5,471,932	6,181,021
Tax refunds due from Government	15	32,593,820	31,077,237
Cash and bank balances	16	95,126,239	75,852,255
		364,902,298	349,137,811
		458,275,227	447,274,823
EQUITY AND LIABILITIES			
CERTIFICATE CAPITAL AND RESERVES			
Authorised certificate capital			
25,000,000 certificates of Rupees 10 each		250,000,000	250,000,000
Issued, subscribed and paid-up certificate capital	17	137,884,193	137,884,193
Capital reserves	18	52,644,230	51,103,614
Revenue reserves		20,631,836	19,295,319
		211,160,259	208,283,126
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income	19	9,782,432	13,098,206
Certificates of musharaka	20	111,250,000	118,035,000
		121,032,432	131,133,206
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	21	24,141,581	14,515,672
Current portion of deferred income	19	14,235,543	13,803,665
Current portion of certificates of musharaka	20	66,295,000	57,656,200
Accrued profit on certificates of musharaka	22	1,679,198	2,658,107
Unclaimed profit distributions		19,731,214	19,224,847
		126,082,536	107,858,491
TOTAL LIABILITIES		247,114,968	238,991,697
CONTINGENCIES AND COMMITMENTS			
	23		
TOTAL EQUITY AND LIABILITIES		458,275,227	447,274,823

The annexed notes from 01 to 40 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 Rupees	2020 Rupees
Operating income	24	108,353,461	185,688,035
Operating cost			
Operating expenses	25	(91,921,504)	(163,173,688)
Reversal / (Provision) of provision for doubtful recoveries	6.1	64,646	(336,374)
		(91,856,858)	(163,510,062)
		16,496,603	22,177,973
Other income	26	4,255,350	940,919
Financial charges	27	(12,018,302)	(15,644,277)
		8,733,651	7,474,615
Modaraba Company's management fee	28	(873,365)	(844,631)
		7,860,286	6,629,984
Provision for Sindh Workers' Welfare Fund		(157,206)	(132,600)
Profit before taxation		7,703,080	6,497,384
Taxation	29	-	-
Profit after taxation		7,703,080	6,497,384
Earnings per certificate - basic and diluted	30	0.559	0.471

The annexed notes from 01 to 40 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 Rupees	2020 Rupees
Profit after taxation		7,703,080	6,497,384
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit and loss account		-	-
Items that may be reclassified subsequently to profit and loss account		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>7,703,080</u>	<u>6,497,384</u>

The annexed notes from 01 to 40 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 Rupees	2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		7,703,080	6,497,384
Adjustments for non-cash items:			
Depreciation and amortization		1,335,637	1,405,176
Provision for Sindh Workers' Welfare Fund		157,206	132,600
Financial charges		12,018,302	15,644,277
(Reversal of provision) / Provision for doubtful recoveries		(64,646)	336,374
		13,446,499	17,518,427
Operating profit before working capital changes		21,149,579	24,015,811
(Increase) / decrease in current assets			
Murabaha financing - net		(9,265,412)	29,645,854
Diminishing Musharaka financing - net		15,604,693	(12,944,901)
Musharaka financing - net		11,470	10,953,375
Modaraba financing - net		1,696,310	400,000
Loans to employees		283,000	550,338
Long-term deposits		(39,000)	100,350
Stores and spares		3,174,287	(5,010,818)
Trade debtors - net		(9,781,078)	52,947,781
Advances, prepayments and other receivables		4,424,305	(14,776,722)
Accrued profit		709,089	2,564,742
(Decrease) / increase in current liabilities			
Creditors, accrued and other liabilities		9,468,703	(16,295,344)
Net cash generated from operations		37,435,946	72,150,466
Financial charges paid		(99,006)	(56,377)
Tax (paid) / refunded - net		(1,516,583)	4,290,039
Net cash generated from operating activities		35,820,357	76,384,128
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(1,213,500)	(16,800)
Addition / deletion in capital work-in progress		31,112	(31,112)
Net cash (used in)		(1,182,388)	(47,912)
CASH FLOWS FROM FINANCING ACTIVITIES			
Certificate of Musharaka - issuance		38,228,800	29,590,000
Certificate of Musharaka - redemptions		(36,375,000)	(23,450,000)
Profit paid to certificates of Musharaka (COM) holder		(12,898,205)	(15,636,154)
Profit distributed to certificate holders		(4,319,580)	(10,990,526)
Net cash used in financing activities		(15,363,985)	(20,486,680)
Net increase in cash and cash equivalents		19,273,984	55,849,536
Cash and cash equivalents at beginning of the year		75,852,255	20,002,719
Cash and cash equivalents at end of the year		95,126,239	75,852,255

The annexed notes from 01 to 40 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Issued, subscribed and paid up certificate capital	Reserves						Total
		Capital			Revenue			
		Merger reserve	Statutory reserve	Total	Revenue			
					Unappropriated profit			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 01 July 2019	137,884,193	1,935,160	47,868,977	49,804,137	27,885,832	215,574,162		
Transaction with owners:								
Profit distribution for the year ended 30 June 2019 @ Rupees 1.0 per certificate	-	-	-	-	(13,788,420)	(13,788,420)		
Total comprehensive income:								
Profit after taxation	-	-	-	-	6,497,384	6,497,384		
Other comprehensive income	-	-	-	-	6,497,384	6,497,384		
Transferred to statutory reserve @ 20%	-	-	1,299,477	1,299,477	(1,299,477)	-		
Balance as at 30 June 2020	137,884,193	1,935,160	49,168,454	51,103,614	19,295,319	208,283,126		
Transaction with owners:								
Profit distribution for the year ended 30 June 2020 @ Rupees 0.35 per certificate	-	-	-	-	(4,825,947)	(4,825,947)		
Total comprehensive income:								
Profit after taxation	-	-	-	-	7,703,080	7,703,080		
Other comprehensive income	-	-	-	-	7,703,080	7,703,080		
Transferred to statutory reserve @ 20%	-	-	1,540,616	1,540,616	(1,540,616)	-		
Balance as at 30 June 2021	137,884,193	1,935,160	50,709,070	52,644,230	20,631,836	211,160,259		

The annexed notes from 01 to 40 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. LEGAL STATUS AND OPERATIONS

- 1.1** First Paramount Modaraba ("the Modaraba") is a multipurpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed there under and is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on June 26, 1994. The Modaraba is listed on the Pakistan Stock Exchange Limited.

The registered office is situated at Suit No. 107- 108, First Floor, P.E.C.H.S. Community Office Complex, Block 2, Shahrah-e-Quaideen, Karachi, in the province of Sindh. The Modaraba has a branch office situated in Islamabad, the Capital territory.

The Modaraba's principal activities include deployment of funds on murabaha, modaraba and musharaka arrangements and its in-house ventures are:

- (a) Generator rental and sale project under the name "AL-BURQ Associates";
- (b) Electrical maintenance and troubleshooting services' under the name of "FPM Solutions";
- (c) Chemical business under the name of "FPM Petro Services";
- (d) Engineering products and solutions to upstream service companies under the name of "FPM Geo Dynamics International"; and
- (e) Consultancy business under the name of "FPM Consulting".

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements of the Modaraba have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards as applicable in Pakistan comprise of:

- The requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981;
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP); and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

In case where requirements differ, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by SECP shall prevail.

The SECP, Special Compliance Division, vide Circular no. 10 of 2004 dated February 13, 2004 deferred the application of IAS 17 'Leases' to Modarabas till further orders. IFRS 16 'Leases' replaced IAS 17 effective from 1 January 2019. Therefore, the application of IFRS 16 'Leases' is also deferred on Modaraba's till further order from SECP.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis.

Permissible Islamic financial products including murabaha, musharaka and modaraba have been used by the Modaraba. In line with the similar industry practices, the accounting and presentation of the same are in line with the substance of the transactions and their accounting is limited to the extent of actual amount of facility utilized and mutually agreed profit thereon. Accordingly, purchases, sales and musharaka profits / reserves are not reflected in these financial statements.

These financial statements have been prepared on accrual basis of accounting except for cash flow statement.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Modaraba's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, except otherwise stated.

2.4 Significant accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Modaraba's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Modaraba's financial statements or where judgments were exercised in application of accounting policies are as follows:

(a) Useful lives, patterns of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Modaraba. Further, the Modaraba reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment and investment properties with a corresponding effect on the depreciation charge and impairment.

(b) Stores and spares

Stores and spares write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on stores and spares for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the stores and spares balances for any such declines.

(c) Income tax

In making the estimates for income tax currently payable by the Modaraba, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

(d) Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgment. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

(e) Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized, provision is recognised in the profit and loss account unless the provision was originally recognised as part of cost of an asset.

(f) Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Modaraba is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

3. NEW STANDARDS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective in current year and are relevant to the Modaraba

Following standard, interpretation and amendments to published approved accounting standards are mandatory for the Modaraba's accounting periods beginning on or after 01 July 2020:

- IFRS 9 (Amendments) 'Financial Instruments'
- IAS 28 (Amendments) 'Investments in Associates and Joint Ventures'
- IFRIC 23 'Uncertainty over Income Tax Treatments'
- IASB's Annual Improvements to IFRSs: 2015 – 2017 Cycle

The above mentioned accounting standards did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

3.2 Standard and amendments to published approved accounting standards that are effective in current year but not relevant to the Modaraba

There are other standard and amendments to published standards that are mandatory for accounting period beginning on or after 01 July 2020 but are considered not to be relevant or do not have any significant impact on the Modaraba's financial statements and are therefore not detailed in these financial statements.

3.3 Amendments to published approved accounting standards that are not yet effective but relevant to the Modaraba

Following amendments to existing standards have been published and are mandatory for the Modaraba's accounting periods beginning on or after 01 July 2021 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets') effective for the annual period beginning on or after 1 January 2022 amends IAS 1 'Presentation of Financial Statements' by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16 'Property, Plant and Equipment') effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable

Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 'Inventories'. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

- IFRS 9 'Financial Instruments' – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 'Leases' – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 'Leases' by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

IAS 41 'Agriculture' – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement') effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Earlier, IAS 1 states that an entity shall disclose its 'significant accounting policies' in their financial statements. These amendments shall assist the entities to disclose their 'material accounting policies' in their financial statements.

Covid-19-Related Rent Concessions (Amendment to IFRS 16 'Leases') effective for annual reporting periods beginning on or after 01 April 2021. These amendments permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes') effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.

Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors') effective for annual periods beginning on or after 1 January 2023.

This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates.

The International Accounting Standards Board (IASB) has published 'Reference to the Conceptual Framework (Amendments to IFRS 3)' with amendments to IFRS 3 'Business Combinations' that update an outdated reference in IFRS 3 without significantly changing its requirements. Effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 01 January 2022. The amendments also add to IFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.

Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 4 'Insurance Contracts' and IFRS 7 'Financial Instruments: Disclosures' is applicable for annual financial periods beginning on or after 01 January 2021. The changes made relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying IFRS 7 to accompany the amendments regarding modifications and hedge accounting.

The above amendments and improvements do not have a material impact on the financial statements.

3.4 Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Modaraba

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2021 but are considered not to be relevant or do not have any significant impact on the Modaraba's financial statements and are therefore not detailed in these financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements.

4.1 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and its cost can be reliably measured. Cost incurred to replace a component of tangible fixed asset is capitalized and the asset so replaced is retired from use. Normal repairs and maintenance are charged to the profit and loss account as and when incurred. Major renewals and improvements are capitalized, if recognition criteria are met.

Depreciation is charged to profit and loss account applying the reducing balance method at the rates mentioned in note(5) except for generators available for Ijarah which are depreciated using units of production method on the basis of working hours of generators. In respect of additions and disposals during the year, depreciation is charged proportionately for the period of use.

The carrying values are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising on derecognition of the assets (calculated as difference between the net disposal proceeds and the carrying amount of the assets) is included in the profit and loss account.

The assets' useful lives, method of depreciation and residual value are reviewed, and adjusted if appropriate at each reporting date.

Capital work-in-progress is stated at cost less impairment losses, if any. Cost consists of expenditure incurred and advances made in the course of their acquisition, construction and installation. Transfers are made to relevant asset category as and when the assets are available for intended use.

4.2 Intangible assets

Intangible assets (comprising of computer softwares) are stated at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized under the reducing balance method at the rate of thirty percent per annum.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

4.3 Loans to employees

Loans to employees are granted by Modaraba for purchasing of vehicles or for other purposes, as approved by the management on a case to case basis. Loans granted are initially recorded at fair value.

4.4 Murabaha financing

Murabaha transactions are reflected as receivable at the invoiced amount. Actual sale and purchase are not reflected as the goods are purchased by the customer as agent of the Modaraba and all documents relating to purchase are in customer name. However the profit on that sale revenue not due for payment is deferred by recording a credit to "Deferred Murabaha Income" account.

4.5 Modaraba financing

Modaraba is a kind of partnership where one partner gives money to another for investing it in a commercial enterprise. The investment comes from the first partner who is called "rabb-ul-mal" (here FPM), while the management and work is an exclusive responsibility of the other, who is called "mudarib" and the profits generated are shared in a predetermined ratio. Modaraba receivable are reflected at principal amount.

4.6 Musharaka financing

Musharaka is an agreement between two or more parties to combine their assets, labour or liabilities for the purpose of making profit. Modaraba is dealing in the following forms of Musharaka.

a) Diminishing musharaka

In diminishing musharaka based financing, the Modaraba enters into a Musharaka based on Shirkat-ul-mulk (Joint arrangement) for financing an agreed share of fixed asset (e.g. house, land, plant or machinery) with its customers and enters into periodic profit payments agreement for the utilization of the Modaraba's Musharaka share by the customer. The customer with each rental payments also purchases Modaraba's Musharaka share by paying additional amount and therefore becomes the sole owner of the subject asset at the maturity of the diminishing musharaka.

b) Musharaka financing

Modaraba enters into financing with customers based on Shirkat-ul-aqd (contractual partnership) in customers' operating business. Under this mechanism, the customer can withdraw and return funds to the Modaraba subject to his running musharaka financing limit during the musharaka period. The customer pays the provisional profit which is subject to final settlement based on the actual results of the business / transaction.

4.7 Financial assets

a) Classification

The Modaraba classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Modaraba's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit and loss account or other comprehensive income.

b) Measurement

At initial recognition, the Modaraba measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss account.

4.8 Financial liabilities – classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit and loss account. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit and loss account. Any gain or loss on de-recognition is also included in profit and loss account.

4.9 Impairment of financial assets

The Modaraba assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Modaraba applies the IFRS 9 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets, except in the case of calculation of impairment provision on financial assets where the requirements of the Prudential Regulations for Modaraba prevails.

Loss allowance on advances and bank balances is measured at 12 months expected credit losses. Since these assets are short term in nature, therefore no credit loss is expected on these balances. The Modaraba is also not expecting a material impact on loan to employees and deposits.

4.10 De-recognition of financial assets and financial liabilities

a) Financial assets

The Modaraba derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Modaraba is recognized as a separate asset or liability.

b) Financial liabilities

The Modaraba derecognizes a financial liability (or a part of financial liability) from its balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set-off the recognized amount and the Modaraba intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.12 Cash and cash equivalents

Cash and cash equivalents are carried in balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents include cash and balances with banks in current and deposit accounts and investments with original maturity of less than 3 months.

4.13 Stores and spares

Stores and spares are valued at lower of net realizable value or cost. Cost of items of stores and spares is determined as invoice value plus other charges accrued thereon to the balance sheet date. Provision is made annually in the financial statements for slow moving and obsolete items if required.

4.14 Trade debtors and other receivables

Trade debtors and other receivables are carried at original invoice amount less an estimate made for doubtful receivables based on review of outstanding amounts as per expected credit losses model (ECL) as required by IFRS 9 as at year end date.

4.15 Joint Operations (Musharaka arrangements)

The Modaraba has certain contractual arrangements with other participants to engage in joint activities, where all significant operating and financial policies are predetermined by the participants, such that the Musharik has no significant independence to pursue its own strategies.

The financial statements of the Modaraba include its prorata share of assets, liabilities, revenues and expenses in joint operation and are accounted for on the basis of profit statements.

4.16 Statutory reserve

As per Regulation 13, of the Prudential Regulations for Modarabas issued by SECP, vide S.R.O 284(I)/2021 dated March 05, 2021 requires a Modaraba to transfer not less than 20% and not more than 50% of its after tax profits till such time the reserve equals the amount of the paid up capital; and thereafter, a sum not less than 5% and not more than 20% of the after tax profits is to be transferred. The Modaraba transfers 20% of its after tax profits to statutory reserve.

4.17 Certificates of musharaka

Certificates of musharaka are recognized initially at cost, less attributable transaction costs. Subsequent to initial recognition, these are stated at cost / amortized cost.

Profit on these arrangements is recognized as expense in the period in which they are incurred and is accounted for on the basis of projected profit. The effect of adjustments, if any, between actual rate and projected rate of profit is accounted for at the end of each quarter after determination of actual profit.

4.18 Creditors and other liabilities

Creditors and other liabilities are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

4.19 Employee benefits

a) Defined contribution plan

The Modaraba operates approved funded contributory provident fund scheme for all its employees. Equal monthly contributions are made both by the Modaraba and the employees at the rate of 8.33% percent per annum of the basic salary.

b) Compensated absences

The Modaraba accounts for the liability in respect of employees' compensated absences in the period in which they are earned.

4.20 Impairment

Non financial assets

The Modaraba assesses at each reporting date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to lower of revised recoverable amount or initial cost of asset less accumulated depreciation (if any) to date. Reversal of impairment loss is recognized as income.

4.21 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Modaraba is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Modaraba follows the below steps.

Step 1: Identify the contract with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the Modaraba satisfies a performance obligation

For each sale transaction, purchase order forms a contract between the Modaraba and a customer and the goods to be delivered under that contract are the Modaraba's identified performance obligation, the contract contains determined and allocated transaction price. The Modaraba satisfies a performance obligation on delivery of goods to the customer and recognises the revenue.

- Profit / return on deposits / investments is recognized using tentative profit rates.
- Income from Murabaha is accounted for on finalization of Murabaha transaction. However, profit on that portion of revenue not due for payment (deferred murabaha income) is deferred and recognized on time proportionate basis.
- Musharaka management fee is recognized when related services are provided.

- Rental income from generators is recognized on time proportionate basis.
- Profit on diminishing musharaka financing is recognized using tentative profit rates.
- Profit on musharaka financing is recognized on declaration of profit by musharaka partners on accrual basis.
- Realized capital gains / (losses) arising on sale of investments are included in the profit and loss account on the date at which the transaction takes place.

4.22 Earnings per certificate (EPC)

The Modaraba presents basic and diluted earnings per certificate (EPC) data for its certificate. Basic EPC is calculated by dividing the profit or loss attributable to certificate holders of the Modaraba by the weighted average number of certificates outstanding during the year. Diluted EPC is determined by adjusting the profit or loss attributable to certificate holders and the weighted average number of certificates outstanding for the effects of all dilutive potential certificates.

4.23 Taxation

Current

Provision for current taxation is made on taxable income for the year at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. The income of the Modarabas (other than income from trading activity) is exempt from tax provided that not less than ninety percent (90%) of their profits are distributed to the certificate holders. The income from trading activity is taxable at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any.

The Modaraba has decided to continue availing the tax exemption and hence no provision has been made in these financial statements for the current year.

Deferred

Deferred tax is recognized using the balance sheet liability method, on all temporary differences arising between the tax basis of asset and liabilities and carrying amount appearing in the financial statements. Deferred tax liability is recognized for all the taxable temporary differences. Deferred tax assets is recognized for all the deductible temporary differences to the extent that it is probable that temporary differences will reverse in future and taxable income will be available against which temporary differences will be utilized.

The carrying amount of the deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

4.24 Operating segments

An operating segment is a component of the Modaraba that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Modaraba's other components. All operating segments' operating results are reviewed regularly by the Management Company's Chief Executive Officer and Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. In review and evaluation performance process, the business is considered as a single operating segment and the Modaraba's business is evaluated on an overall basis other than musharaka arrangement with joint venture partner which is monitored separately.

Segment results that are reported for review and performance evaluation include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, administrative expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire tangible fixed assets and intangible assets other than goodwill.

4.25 Provisions

Provisions are recognized when the Modaraba has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

4.26 Profit distributions and appropriations

Profit distributions are recognized as a liability in the financial statements in the period in which these are approved. Transfers to statutory reserve and the mandatory appropriations as may be required by law are recognized in the period to which these relate.

4.27 Foreign currency transactions

Transactions in foreign currencies are translated into Rupees at rates of exchange on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange ruling on the balance sheet date. Exchange differences are charged to profit and loss account currently.

5. FIXED ASSETS

Tangibles
Capital work-in progress
Intangibles

	Note	2021 Rupees	2020 Rupees
	5.1	16,595,657	16,460,498
	5.2	-	31,112
	5.3	600,358	857,654
		17,196,015	17,349,264

5.1 Tangibles

	Generators - Project Generators*	Generators - Own use	Computers	Office and other equipments	Furnitures and fixtures	Vehicles	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
As at 01 July 2020							
Cost	16,777,171	331,718	1,750,485	3,042,737	3,387,248	6,596,776	31,886,135
Accumulated impairment	(1,982,495)	-	-	-	-	-	(1,982,495)
Accumulated depreciation	(3,672,571)	(230,891)	(1,595,104)	(1,548,859)	(1,969,543)	(4,426,174)	(13,443,142)
Net book value	11,122,105	100,827	155,381	1,493,878	1,417,705	2,170,602	16,460,498

Year ended 30 June 2021

Opening net book value
Transferred to stores and spares:

Transferred - at cost	-	-	-	-	-	-	-
Transferred - at accumulated depreciation	-	-	-	-	-	-	-
Transferred - at net book value	-	-	-	-	-	-	-
Additions - at cost	-	-	47,000	49,500	-	1,117,000	1,213,500
Impairment charge	-	-	-	-	-	-	-
Depreciation charge	-	(10,083)	(45,788)	(223,178)	(141,770)	(657,522)	(1,078,341)
Net book value	11,122,105	90,744	156,593	1,320,200	1,275,935	2,630,080	16,595,657

As at 30 June 2021

Cost
Accumulated impairment
Accumulated depreciation
Net book value

Cost	16,777,171	331,718	1,797,485	3,092,237	3,387,248	7,713,776	33,099,635
Accumulated impairment	(1,982,495)	-	-	-	-	-	(1,982,495)
Accumulated depreciation	(3,672,571)	(240,974)	(1,640,892)	(1,772,037)	(2,111,313)	(5,083,696)	(14,521,483)
Net book value	11,122,105	90,744	156,593	1,320,200	1,275,935	2,630,080	16,595,657

Rate of depreciation (%)

10 30 10 20

As at 01 July 2019						
Generators- Project Generators*	Generators- Own use	Computers	Office and other equipments	Furnitures and fixtures	Vehicles	Total
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost	16,777,171	331,718	1,750,485	3,038,087	3,387,248	31,881,485
Accumulated impairment	(1,982,495)	-	-	-	-	(1,982,495)
Accumulated depreciation	(3,672,571)	(219,688)	(1,533,224)	(1,284,707)	(3,883,521)	(12,405,731)
Net book value	11,122,105	112,030	217,261	1,753,380	2,713,255	17,493,259
Year ended 30 June 2020						
Opening net book value	11,122,105	112,030	217,261	1,753,380	2,713,255	17,493,259
Additions - at cost	-	-	-	-	-	-
Transferred to disposal:						
Disposal - at cost	-	-	-	-	-	(12,150)
Disposal - at accumulated depreciation	-	-	-	200	-	200
Disposal - at net book value	-	-	-	(11,950)	-	(11,950)
Additions - at cost	-	-	-	16,800	-	16,800
Impairment charge	-	-	-	-	-	-
Depreciation charge	-	(11,203)	(61,880)	(264,352)	(157,523)	(1,037,611)
Net book value	11,122,105	100,827	155,381	1,493,878	2,170,602	16,460,498
As at 30 June 2020						
Cost	16,777,171	331,718	1,750,485	3,042,737	3,387,248	31,886,135
Accumulated impairment	(1,982,495)	-	-	-	-	(1,982,495)
Accumulated depreciation	(3,672,571)	(230,891)	(1,595,104)	(1,548,859)	(4,426,174)	(13,443,142)
Net book value	11,122,105	100,827	155,381	1,493,878	2,170,602	16,460,498
Rate of depreciation (%)						
	10	30	10	10	20	

* These are the generators available for ijarah. Depreciation is charged on working hours basis. The average useful hours available per generator ranges from 26,150 to 28,900 hours.

5.2 Capital work-in progress

	2021	2020
	Rupees	Rupees
Balance as at 01 July	31,112	-
Additions during the year	-	31,112
Transferred / adjusted during the year	(31,112)	-
Balance as at 30 June	-	31,112

5.3 Intangibles - Computer Software	Note	2021 Rupees	2020 Rupees
As at 01 July			
Cost		2,976,738	3,011,738
Accumulated amortization		(2,119,084)	(1,751,519)
Net book value		857,654	1,260,219
Year ended 30 June			
Opening net book value		857,654	1,260,219
Transferred from capital work-in progress - at cost		-	-
Reversal made during the year		-	(35,000)
Amortization charge		(257,296)	(367,565)
Net book value		600,358	857,654
As at 30 June			
Cost		2,976,738	2,976,738
Accumulated amortization		(2,376,380)	(2,119,084)
Net book value		600,358	857,654
Rate of amortization (%)		30	30
6. MURABAHA FINANCING - SECURED			
Considered good		140,551,300	132,593,582
Considered doubtful		2,562,883	2,627,529
		143,114,183	135,221,111
Less: Provision for doubtful recoveries	6.1	(2,562,883)	(2,627,529)
		140,551,300	132,593,582
Less: Current portion of murabaha financing		(82,050,659)	(78,202,593)
		58,500,641	54,390,989
6.1 Movement in provision for doubtful recoveries			
Balance as at 01 July		2,627,529	2,291,155
Charge for the year		13,822	406,387
Reversal made during the year		(78,468)	(70,013)
		(64,646)	336,374
Balance as at 30 June		2,562,883	2,627,529
6.2	The Modaraba has sold goods under Murabaha arrangements whereby payment is deferred alongwith specified profit margin. Murabaha sale is receivable in installments. These arrangements are secured by way of hypothecation / pledge of stocks, mortgage of properties, demand promissory notes, charge on assets and personal guarantees. The combined forced sales value (FSV) of the underlying assets as security amounts to Rupees 439.11 million (2020: Rupees 503.47 million) in aggregate.		
6.3	These facilities have various maturity dates up to 16 October 2024. Effective profit rate on these arrangements ranges from 09% to 23% (2020: 09% to 21%).		

6.4 Contractual installments receivable on Murabaha financing facilities:

	Principal Rupees	Profit Rupees	Total Rupees
2021			
Due within one year	69,880,515	12,170,144	82,050,659
Due after one year but within five years	48,053,413	13,010,111	61,063,524
Due after five years	-	-	-
	117,933,928	25,180,255	143,114,183
2020			
Due within one year	67,389,784	10,812,809	78,202,593
Due after one year but within five years	44,049,934	12,968,584	57,018,518
Due after five years	-	-	-
	111,439,718	23,781,393	135,221,111

6.5 The above represents installments receivable by the Modaraba in future years in respect of Murabaha financing facilities given under long-term arrangements.

	Note	2021 Rupees	2020 Rupees
7. DIMINISHING MUSHARAKA FINANCING			
Considered good - secured		15,054,925	33,876,174
Less: Current portion of diminishing musharaka financing		(10,340,621)	(20,695,384)
		4,714,304	13,180,790

7.1 This represents financing provided to individuals under diminishing musharaka arrangement for purchase of vehicles and buildings. The effective profit rates on these arrangements ranges from 16% to 23% (2020: 16% and 20%) per annum and is repayable on monthly basis over a maximum period of 5 years. These facilities have various maturity dates up to 05 February 2023. The financing is secured by mortgage of properties, hypothecation and personal guarantee of the borrower. The combined forced sales value (FSV) of the underlying assets as security amounts to Rupees 138.82 million (2020: Rupees 156.50 million) in aggregate.

7.2 Contractual rentals receivable on Diminishing Musharaka financing facilities:

	Principal Rupees	Profit Rupees	Total Rupees
2021			
Due within one year	8,501,392	1,839,229	10,340,621
Due after one year but within five years	4,173,972	540,332	4,714,304
Due after five years	-	-	-
	12,675,364	2,379,561	15,054,925
2020			
Due within one year	18,092,817	2,602,567	20,695,384
Due after one year but within five years	10,914,457	2,266,333	13,180,790
Due after five years	-	-	-
	29,007,274	4,868,900	33,876,174

7.3 The above represents rentals receivable by the Modaraba in future years in respect of Diminishing Musharaka financing facilities given under long-term arrangements.

8.	MUSHARAKA FINANCING - secured & considered good	Note	2021 Rupees	2020 Rupees
	Musharaka agreements for:			
	Garments		-	11,470
	Food products	8.1	12,000,000	12,000,000
	Books printing - I	8.2	8,000,000	8,000,000
	Books printing - II	8.3	20,000,000	20,000,000
			40,000,000	40,011,470
	Less: Current portion of musharaka financing		(28,000,000)	(28,011,470)
			12,000,000	12,000,000
8.1	The Modaraba has entered into a Musharaka arrangement with Musharaka partner for distribution of food products like milk, biscuits etc. The Modaraba's share of investment is 30% of the total financing required by Musharaka partner and profit on investment is shared in the ratio of 35:65 (2020: 35:65) between Modaraba and Musharaka partner respectively. This financing is secured by way of mortgage of property.			
8.2	The Modaraba signed a Musharaka arrangement amounting to Rupees 30 million for printing of 355,000 books with a Musharaka partners. The profit on the investment is shared between Modaraba and the Musharaka partner in the ratio of 50:50 (2020: 50:50), respectively. During the prior year, this arrangement is fulfilled and the Modaraba is in process to recover the financing as per agreement, from the Musharaka partner. This financing is secured by way of mortgage of property.			
8.3	During the preceding year, the Modaraba signed a Musharaka arrangement amounting to Rupees 20 million for printing of 272,766 books with a Musharaka partner. The profit on the investment is shared between Modaraba and the Musharaka partner in the ratio of 64.09:35.91 respectively. The financing is secured by way of mortgage of immovable property. During the year, this arrangement is fulfilled and the Modaraba is in process to recover the financing as per agreement, from the Musharaka partner.			
8.4	The combined forced sales value (FSV) of the underlying assets as security amounts to Rupees 50.2 million (2020: Rupees 96.67 million) in aggregate.			
8.5	Contractual installments receivable on Musharaka financing facilities:			
	Due within one year		28,000,000	28,011,470
	Due after one year but within five years		12,000,000	12,000,000
	Due after five years		-	-
			40,000,000	40,011,470
9.	LOAN TO EMPLOYEES - Secured			
	Loan to employees		941,000	1,224,000
	Less: Current portion of loan to employees		(360,000)	(350,000)
			581,000	874,000
9.1	This represents profit free personal loans provided to employees of Modaraba ranging from Rupees 50,000 to Rupees 500,000. These are repayable over a maximum period of 5 years and secured against their provident fund balance.			

	Note	2021 Rupees	2020 Rupees
10. TRADE DEBTORS - Unsecured			
Considered good		58,187,619	48,406,541
Considered doubtful		3,289,466	3,289,466
	10.1	61,477,085	51,696,007
Less: Allowances for expected credit loss			
Balance as at 01 July		3,289,466	3,289,466
Recognized during the year		-	-
Balance as at 30 June		3,289,466	3,289,466
		58,187,619	48,406,541
10.1 Ageing analysis of trade debtors are as follows:			
Not yet due		42,813,350	38,367,347
Upto 30 days		2,136,613	468,474
31 to 90 days		105,300	2,043,171
91 days to 180 days		1,548,080	4,674,877
More than 180 days		14,873,742	6,142,138
		61,477,085	51,696,007
11. ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Due from associated undertakings	11.1	3,272,066	1,102,793
Advance against purchase of stock		27,676,844	33,150,163
Advance against expenses		1,787,337	2,815,337
Advance against salaries	11.2	5,302	4,802
Short-term prepayments		385,477	478,236
Receivable against sale of weaving unit		495,000	495,000
Other receivables	11.3	1,567,923	1,567,923
		35,189,949	39,614,254
11.1 The maximum aggregate amount due from associated undertakings at the end of any month during the year was Rupees 5,593,413 (2020: Rupees 1,583,169).			
11.2 The maximum aggregate amount due from officers and employees at the end of any month during the year was Rupees 14,000 (2020: Rupees 6,302).			
11.3 This includes Rupees 1.2 million deducted directly from the bank account of the Modaraba on the instruction of the Federal Board of Revenue (FBR) vide letter no. CIR/Zone-1/CRTO/KHI/2016/2544 dated 15 December 2016 on account of non deduction of withholding tax. (refer Note 23).			
12. MODARABA FINANCING - Secured & Considered good			
Balance as at 01 July		10,594,532	10,994,532
Less: Recovered during the year		(1,696,310)	(400,000)
Balance as at 30 June		8,898,222	10,594,532
12.1 The Modaraba has signed an arrangement with Advanced Power Solutions and Technologies (APS) for installation of new UPS systems and upgrading of existing UPS systems of a bank, at its branches all over Pakistan. The profit on the investment is shared between Modaraba and APS in the ratio of 50:50. The financing is secured by way of mortgage of property. The combined forced sales value (FSV) of the underlying assets as security amounts to Rupees 34.23 million (2020: Rupees 34.23 million) in aggregate.			

13. SHORT-TERM MURABAHA FINANCING - Secured	Note	2021 Rupees	2020 Rupees
Considered good		5,063,741	3,358,741
Considered doubtful		-	-
		5,063,741	3,358,741
Less: Provision for doubtful recoveries		-	-
		5,063,741	3,358,741
13.1 Murabaha sale price is receivable in installments. Effective profit rate on these arrangements ranges from 13% to 18% (2020: from 07% to 12%) per annum receivable on agreed terms. These financing are secured by way of mortgage of properties, hypothecation of goods and demand promissory notes. The combined forced sales value (FSV) of the underlying assets as security amounts to Rupees 17.01 million (2020: Rupees 56.09 million) in aggregate.			
14. ACCRUED PROFIT			
Profit receivable on musharaka financing		5,253,874	6,019,997
Profit receivable on modaraba financing		60,230	60,230
Profit receivable on bank deposits		157,828	100,794
		5,471,932	6,181,021
15. TAX REFUNDS DUE FROM GOVERNMENT			
Income tax refundable	15.1	30,940,137	27,356,235
Sales tax refundable - net		1,653,683	3,721,002
		32,593,820	31,077,237
15.1 This includes income tax refundable on account of net advance tax paid / withheld aggregating to Rupees 2,808,171 (2020: Rupees 2,808,171) and Rupees 3,096,879 (2020: Rupees 3,096,879) relating to its CNG business for tax years 2009 and 2010, respectively which were expensed out in the respective financial periods. These amounts were recorded as refundable as the management filed an application for the refund of the same under Section 170 of the Income Tax Ordinance, 2001.			
16. CASH AND BANK BALANCES			
Cash in hand		86,799	61,903
Cash at banks			
- Current accounts		33,490,778	26,657,989
- Deposit accounts	16.1 & 16.2	61,548,662	49,132,363
		95,126,239	75,852,255
16.1 This includes Rupees 23,938,739 (2020: Rupees 8,755,755) in respect of Redemption Reserve Fund established on account of Certificate of Musharaka.			
16.2 Effective profit rate in respect of deposit accounts ranges from 2.75% to 4.21% (2020: 3.25% to 7.06%) per annum.			

17. ISSUED, SUBSCRIBED AND PAID-UP CERTIFICATE CAPITAL	Note	2021 Rupees	2020 Rupees
<div><div>2021 (Number of certificates)</div><div>11,989,930</div><div>1,798,490</div><div>13,788,420</div></div>	<div>2020</div> <div>Certificates of Rupees 10 each fully paid in cash.</div> <div>Bonus certificates issued of Rupees 10 each.</div> <div></div>	<div>119,899,298</div> <div>17,984,895</div> <div>137,884,193</div>	<div>119,899,298</div> <div>17,984,895</div> <div>137,884,193</div>

17.1 As at 30 June 2021, Paramount Investments Limited (the Management Company) holds 14.26% (2020: 14.26%) representing 1,965,768 certificates (2020: 1,965,768 certificates) of the Modaraba.

18. CAPITAL RESERVES

Statutory reserve	18.1	50,709,070	49,168,454
Merger reserve	18.2	1,935,160	1,935,160
		52,644,230	51,103,614

18.1 Statutory reserve represents profit set aside to comply with the Prudential Regulations for Modarabas issued by the SECP vide S.R.O. 284(I)/2021 dated March 05, 2021. These Regulations require Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that the reserve equals 100% of the paid-up capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred. During the year, the Modaraba transferred 20% of its after tax profits amounting to Rupees 1,540,616 (2020: Rupees 1,299,477).

18.2 In accordance with decision of the Honourable High Court of Sindh as on December 08, 2004, the First National Modaraba (FNM) was merged with the Modaraba. The Modaraba received a sum of Rupees 10,568,490 from FNM, including Rupees 8,663,330 as a certificate capital and Rupees 1,935,160 as capital reserve.

19. DEFERRED INCOME

Deferred murabaha income	19.1	22,697,400	22,364,740
Deferred diminishing musharaka income	19.2	1,320,575	4,537,131
		24,017,975	26,901,871
Less: Current portion of deferred income		(14,235,543)	(13,803,665)
		9,782,432	13,098,206

19.1 Deferred murabaha income

Balance as at 01 July	22,364,740	24,534,461
Add: Deferred income for the year	22,096,766	19,364,083
Less: Income for the year	(21,764,106)	(21,533,804)
Balance as at 30 June	22,697,400	22,364,740

19.2 Deferred diminishing musharaka income

Balance as at 01 July	4,537,131	4,017,911
Add: Deferred income for the year	2,773,319	5,500,000
Less: Income for the year	(5,989,875)	(4,980,780)
Balance as at 30 June	1,320,575	4,537,131

		2021 Rupees	2020 Rupees
20. CERTIFICATES OF MUSHARAKA	Note		
Balance as at 01 July		175,691,200	169,551,200
Issued during the year		38,228,800	29,590,000
Redemptions made during the year		(36,375,000)	(23,450,000)
		177,545,000	175,691,200
Less: current portion of certificates of musharaka		(66,295,000)	(57,656,200)
Balance as at 30 June		111,250,000	118,035,000
20.1	As per Prudential Regulations for Modarabas issued by the SECP vide S.R.O. 284(I)/2021 dated March 05, 2021, the permission to issue Certificates of Musharaka by a Modaraba shall automatically stand suspended with the immediate effect, if the Modaraba becomes non-compliant with any or all of conditions prescribed in Rule(19) of prudential regulations. However, existing Modarabas having valid permission to issue COM which are non-compliant with the conditions shall comply with the requirements within one year of the coming into force of the Regulations. Provided further that during the interim period of one year, the total COM of such modarabas shall be capped at the existing level i.e. the outstanding at the date of coming in to the force of the Regulations. The Modaraba is non-compliant with certain conditions laid down in Rule (19) as at coming into force of the Regulations and is in the process to comply with the requirements during the extended time of one year.		
20.2	These certificates have different denominations and are repayable within three months to five years. The expected share of profit on these certificates ranges from 6.25% to 7.5% (2020: 6.5% to 10%) per annum.		
20.3	A Redemption Reserve Fund is established on account of Certificate of Musharaka (refer Note 16.1).		
21. CREDITORS, ACCRUED AND OTHER LIABILITIES			
Due to associated undertakings	21.1	1,119,454	1,119,454
Creditors		7,036,261	2,493,503
Advance from customers		1,126,107	-
Accrued expenses		2,839,010	1,524,113
Sindh Workers' Welfare Fund	21.2	1,131,478	974,272
Withholding income tax		574,168	251,418
Management fee payable to:			
- FPM petro		1,418,933	29,169
- FPM solutions		686,093	436,568
COM matured parties	21.3	2,350,000	2,450,000
Others		5,860,077	5,237,175
		24,141,581	14,515,672
21.1	The maximum aggregate amount due to associated undertakings at the end of any month during the year was Rupees 1,119,454 (2020: Rupees 1,119,454)		
21.2	The Sindh Assembly, on 04 June 2015, passed The Sindh Workers Welfare Fund Act, 2014 (Sindh WWF Act). As per Section 5(1) of the Sindh WWF Act, contributions are payable with effect from the date of closing of account on or after 31 December 2013, that corresponds to Modaraba's accounting year ended on 30 June 2014. As per definitions Section 2(g) of the WWF Act, the Modarabas were considered to be an industrial establishment, despite the fact that even remotely they could not be considered as industrial establishment due to their nature of business. Further, the issue of apportionment of income relevant to the province of Sindh also needs to be clarified. The NBFI & Modaraba Association of Pakistan is contemplating to file petition against such levy, as Sindh High Court has granted stay to various Banks and Financial Institutions in Suit No. 610 of 2017. However, the management of the Modaraba in consultation with the legal advisor has decided to record a provision on prudent basis, but payments are not being made.		
21.3	This represents amount payable to legal successors of musharaka holders which is due but unclaimed due to pending documentation on death of the respective musharaka holders.		

22. ACCRUED PROFIT ON CERTIFICATES OF MUSHARAKA

	Note	2021 Rupees	2020 Rupees
Balance as at 01 July		2,658,107	2,706,361
Add: Accrued during the year		11,919,296	15,587,900
Less: Paid during the year		(12,898,205)	(15,636,154)
Balance as at 30 June		<u>1,679,198</u>	<u>2,658,107</u>

23. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i. An amount of Rupees 1.2 million has been deducted from the bank account of the Modaraba on the instructions of the FBR vide letter # CIR/Zone-1/CRTD/Khi/2016/2544 dated 15 December 2016 on account of non deduction of withholding tax. The matter was taken to Commissioner Inland Revenue (Appeal III), Karachi who remanded back the case to the officer with directions to provide an opportunity of being heard to the Appellant. The worthy Commissioner in its Order vide no. 26/2017 dated 26 January 2017 has remanded the matter to the revenue. Management is confident that the deducted amount will be refunded, therefore, no expense has been booked in this regard. (refer Note 11.3).
- ii. During the prior year, the Sindh Revenue Board (SRB) has raised accumulated demand of Rupees 7,064,107 vide orders 629 of 2019, 632 of 2019, 635 of 2019 and 636 of 2019 dated 19 July 2019, 23 July 2019, 25 July 2019 and 29 July 2019, on the grounds that the Modaraba's activities fall under tariffs 9809, 9822, 9822.2 and 9822.3 of Second Schedule of the Sindh Sales Tax on Services Act, 2011 (the Act). The Modaraba filed two constitution petitions no: CP D-3513/2019 and CP D-3514/2019 against SRB in the Honourable High Court of Sindh to avoid any further demand or recovery until a complete opportunity of being heard is provided to the Modaraba. Consequently, The honourable high court of Sindh gave its judgment in favor of the Modaraba and refrained SRB from taking any adverse action before providing a complete opportunity of being heard to the appellant. The Modaraba has filed an appeal against the above orders on the grounds that all service taxes as per the Act have already been charged and all the sales tax returns in relevant tax periods have been filed appropriately. The decision is pending before the commissioner appeals SRB and the Management is confident that the orders will be withdrawn, therefore, no liability has been recorded in this regard.

b) Commitments

There were no commitments as at the reporting date. (2020: Nil)

24. OPERATING INCOME

Profit on:

- murabaha financing	19.1	21,764,106	21,533,804
- diminishing musharaka financing	19.2	5,989,875	4,980,780
- musharaka financing		2,095,126	6,049,620
		<u>29,849,107</u>	<u>32,564,204</u>

Income from:

- FPM Solution	24.1	10,886,411	11,513,066
- FPM Petro	24.2	67,617,943	141,610,765
		<u>78,504,354</u>	<u>153,123,831</u>
	24.3	<u>108,353,461</u>	<u>185,688,035</u>

- 24.1** This represents income generated from Project Power solution business of FPM Solutions. This includes income from Service Level Agreements (SLA) entered into by FPM Solutions with various clients to provide services in respect of stand by generators, UPS and other power back up solutions. Sindh sales tax charged on sales tax invoices in aggregate amounting to Rupees 872,812.
- 24.2** This represents income generated from chemical business of FPM Petro Services. Sales tax charged on sales tax invoices in aggregate amounting to Rupees 12,629,995.

25. OPERATING EXPENSES	Note	2021 Rupees	2020 Rupees
Direct cost related to			
- FPM Solutions		5,589,501	4,244,221
- FPM Petro		56,856,204	124,651,020
Salaries, allowances and benefits	25.1	13,322,204	14,483,617
Utilities		613,185	514,631
Repairs and maintenance		694,835	486,386
Takaful		236,092	284,578
Rent, rates and taxes	25.2	1,379,513	962,526
Travelling and conveyance		1,410,598	1,393,950
Communications		750,940	717,700
Printing and stationary		363,953	385,062
Auditors' remuneration	25.3	635,000	635,000
Legal and professional		460,930	826,300
Fees and subscription		3,737,176	3,932,011
News papers and periodicals		13,010	28,380
Advertisement and publicity		51,400	704,200
Depreciation and amortization		1,335,637	1,405,176
Contractual management fee			
- FPM Petro		4,029,656	6,588,150
- FPM Solutions		249,524	591,269
Others		192,146	339,511
		91,921,504	163,173,688

- 25.1** Salaries, allowances and benefits include Rupees 527,166 (2020: Rupees 589,931) on account of the Modaraba's contribution to the staff provident fund.

- 25.2** This includes Rupees 1,157,799 paid to a director (2020: Rupees 527,076) in respect of rent for FPM Solutions premises.

25.3 Auditors' remuneration

Statutory audit fee	450,000	450,000
Half yearly review fee	100,000	100,000
Certification fee	85,000	85,000
	635,000	635,000

			2021 Rupees	2020 Rupees
26. OTHER INCOME	Note			
Financial assets				
Profit on bank deposits			1,788,568	775,005
Others			1,256,816	-
Non-financial assets				
Others	26.1		1,209,966	165,914
			4,255,350	940,919
26.1	This includes reversal of sales tax expense against management fee for prior years which was expensed out by modaraba on prudent basis. The amount has been claimed as input tax during the year.			
27. FINANCIAL CHARGES				
Profit on certificates of musharaka			11,919,296	15,587,900
Bank charges			99,006	56,377
			12,018,302	15,644,277
28. MODARABA COMPANY'S MANAGEMENT FEE				
The Management Company is entitled to a remuneration for services rendered to the Modaraba under the provisions of the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980 upto a maximum of 10% per annum of the net annual profits of the Modaraba. The fee for the year ended 30 June 2021 has been recognized at 10% (2020: 10%) of profit for the year.				
29. TAXATION				
Current	29.1		-	-
Deferred	29.2		-	-
			-	-
29.1 Current				
On March 22, 2021, the President of Pakistan promulgated the Tax Law (Second Amendment) Ordinance, 2021,(Ordinance 2021) whereby Clause 100 of the Part 1 of the Second Schedule to the Income Tax Ordinance, 2001 relating to the Tax Exemption available to the Modarabas stands withdrawn. Tax Exemption has been available to the Modarabas under Section 37 of the Modaraba Companies and Modaraba(Floatation and Control) ordinance, 1980, which is still operative and as specified under Clause 100 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, which exemption has been removed by Ordinance 2021. It is a settled law that the taxes can only be levied from prospective effect and any retrospective applicability thereof is ultra-vires under the Constitution.				
Accordingly, no provision for Income Tax have been made for the year ended 30 June 2021.				
29.2 Deferred				
Deferred tax asset as at 30 June 2021 to the extent of Rupees 513,787 has not been recognized as the Company is uncertain about the timing and extent of future taxable profits against which such benefits can be utilized.				
30. EARNINGS PER CERTIFICATE - BASIC AND DILUTED				
Profit after taxation (RUPEES)			7,703,080	6,497,384
Weighted average number of certificates (NUMBERS)			13,788,420	13,788,420
Earnings per certificate - basic and diluted (RUPEE)			0.559	0.471

30.1 There is no dilutive effect on the basic earnings per share of the Modaraba, since there are no convertible instruments in issue as at 30 June 2021 (2020: Nil) which would have any effect on the earnings per certificate if the option to convert is exercised.

31. CHANGES ARISING FROM FINANCING ACTIVITIES

2021	01 July 2020 Rupees	Financing cash inflows Rupees	Financing cash outflows Rupees	Non Cash changes Rupees	30 June 2021 Rupees
Unclaimed profit distributions	19,224,847	-	(4,319,580)	4,825,947	19,731,214
Accrued profit on certificates of musharaka	2,658,107	-	(12,898,205)	11,919,296	1,679,198
Certificates of musharaka	175,691,200	38,228,800	(36,375,000)	-	177,545,000
2020	01 July 2019 Rupees	Financing cash inflows Rupees	Financing cash outflows Rupees	Non Cash changes Rupees	30 June 2020 Rupees
Unclaimed profit distributions	16,426,953	-	(10,990,526)	13,788,420	19,224,847
Accrued profit on certificates of musharaka	2,706,361	-	(15,636,154)	15,587,900	2,658,107
Certificates of musharaka	169,551,200	29,590,000	(23,450,000)	-	175,691,200

32. REMUNERATION OF OFFICERS AND OTHER EMPLOYEES

	2021		2020	
	Officers Rupees	Other employees Rupees	Officers Rupees	Other employees Rupees
Managerial remuneration	4,802,400	7,003,362	5,242,400	6,663,953
Allowances	100,050	359,650	233,100	311,127
Provident fund	240,120	287,046	262,020	327,911
EOBI	2,600	118,430	3,250	136,791
Others	91,324	317,222	72,634	232,431
	5,236,494	8,085,710	5,813,404	7,672,213
Number of person	5	12	5	12

32.1 In addition to the above, Some of the officers have been provided with vehicle maintained by the Modaraba.

33. TRANSACTION WITH RELATED PARTIES

The related parties comprise of management company, associated undertakings and key management personnel. The Modaraba in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Relationship with Modaraba	Name of Related Party	Basis of relationship	Nature of transaction	2021 Rupees	2020 Rupees
i. Management Company	Paramount Limited	Investments 14.26% certificate holdings	Management fee including sale tax on fee	986,902	844,631
			Payments made during the year	2,840,317	886,961
			Expenses allocated	315,858	220,860
			Profit distribution	688,180	1,965,768
ii. Musharaka Investors - Generator Project	AL-Burq Associates	52.09% share of Modaraba	Modaraba's share of loss in joint operation	55	1,448
iii. Directors and their spouse			Rent paid	1,157,799	527,076
			Profit distribution	298,430	852,456
iv. Staff retirement funds	Paramount Limited - Employees' Provident Fund	Funded provident scheme	Contribution to the Fund	527,166	589,931
			Profit paid on certificates of musharaka	103,156	131,831
Receivable / (payable) closing balance					
i. Management Company	Paramount Limited	Investments 14.26% certificate holdings	Other receivable	3,272,066	1,102,793
ii. Musharaka Investors - Generator Project	AL-Burq Associates	47.91% share of Modaraba	Other payable	(1,119,454)	(1,119,454)
iii. Directors	-	-	Security deposit	217,800	217,800
iv. Staff retirement funds	Paramount Limited - Employees' Provident Fund	Funded provident scheme	Certificates of musharaka	(1,400,000)	(1,400,000)
			Accrued profit on certificate of musharaka	(2,323)	(2,424)

33.1 Detail of compensation to key management personnel comprising of officers is disclosed in Note 32.

34. INFORMATION ABOUT BUSINESS SEGMENTS

34.1 The Modaraba's reportable segments are as follows as per the Modaraba's policy:

Financing

Modaraba provides financing to individuals and corporate clients. Financing facilities includes murabaha, diminishing musharaka, modaraba and musharaka finance.

Generator Project Musharaka finance

The Generator project is engaged in trading of generators and supply of generators on rent. The Modaraba started generator project with effect from 17 September 2008. As per the arrangement, the Modaraba has contributed 52.09% of the required fund and AL-BURQ Associates has contributed 47.91%. As per the agreement, the P.M Group, comprised of certain members of AL-BURQ Associates, is responsible for the management of generator project (renting out and sale of generators) for which a management fee of 15% of net profit of generator project after deducting 5% charity and 3% Modaraba management fee is charged by them.

FPM Solutions

FPM has started this project for providing power solutions to the Service and Manufacturing Industry and in this reporting period has able to generate a good business relations in the field of Financial sector as well as Manufacturer. The main activity of this Business Project is to provide Back-up support through UPS Batteries. FPM has plans to increase its Investments in this Project as many of the Contracts are in pipe line.

FPM Petro Services

FPM petro services engaged in provision of various chemical components to different sectors nationally and internationally. Modaraba has started this project with effect from February 18, 2015. Agreement with the investor has been signed. As per the arrangement, the Modaraba has contributed 83.33% of the required fund and is entitled to profit share of 60%, where as loss shall be shared as per capital sharing ratio. Mudarib is responsible for the operations/management of the project.

Information regarding the Modaraba's reportable segments is presented below.

34.2 Segment assets and liabilities

Note	2021					
	Generator's project					
	Financing	Rupees	Total	Modaraba's share	FPM Petro	Total
Segment assets		328,929,121	21,675,869	11,290,958	83,747,948	458,275,227
Segment liabilities		(171,553,562)	(31,146,505)	(16,224,214)	(21,678,143)	(247,114,968)
	2020					
	Generator's project					
	Financing	Rupees	Total	Modaraba's share	FPM Petro	Total
Segment assets		313,938,423	21,675,974	11,291,012	88,509,493	447,274,823
Segment liabilities		(151,229,388)	(31,146,505)	(16,224,214)	(32,633,941)	(238,991,697)

34.3.1 Operating income

	2021					
	Generator's project					
	Financing Rupees	Total Rupees	Modaraba's share Rupees	FPM Petro Rupees	FPM Solutions Rupees	Others Rupees
Operating revenue						
Profit on:						
- murabaha financing	21,764,106	-	-	-	-	-
- diminishing musharaka financing	5,989,875	-	-	-	-	-
- musharaka financing	2,095,126	-	-	-	-	-
- modaraba financing	-	-	-	-	-	-
Income from:						
- dry batteries modaraba	-	-	-	-	-	-
- FPM Solution	-	-	-	-	10,886,411	-
- FPM Petro	-	-	-	67,617,943	-	-
- FPM Geo-Dynamics International	-	-	-	-	-	-
	29,849,107	-	-	67,617,943	10,886,411	-
						108,353,461

	2020					
	Generator's project					
	Financing Rupees	Total Rupees	Modaraba's share Rupees	FPM Petro Rupees	FPM Solutions Rupees	Others Rupees
Operating revenue						
Profit on:						
- murabaha financing	21,533,804	-	-	-	-	-
- diminishing musharaka financing	4,980,780	-	-	-	-	-
- musharaka financing	6,049,620	-	-	-	-	-
- modaraba financing	-	-	-	-	-	-
Income from:						
- dry batteries modaraba	-	-	-	-	-	-
- FPM Solution	-	-	-	-	11,513,066	-
- FPM Petro	-	-	-	141,610,765	-	-
- FPM Geo-Dynamics International	-	-	-	-	-	-
	32,564,204	-	-	141,610,765	11,513,066	-
						185,688,035

2021

	Generator's project						
	Financing	Total	Modaraba's share	FPM Petro	FPM Solutions	Others	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Operating expenses							
Direct costs	-	-	-	123,896,420	4,998,821	-	128,895,241
Salaries, allowances and benefits	13,042,754	-	-	110,000	1,090,863	240,000	14,483,617
Utilities	381,024	-	-	1,644	131,963	-	514,631
Repairs and maintenance	436,586	-	-	17,800	32,000	-	486,386
Insurance	217,400	-	-	67,178	-	-	284,578
Rent, rates and taxes	181,100	-	-	254,350	527,076	-	962,526
Travelling and conveyance	934,023	-	-	387,035	72,392	500	1,393,950
Communications	628,572	-	-	61,070	26,545	1,513	717,700
Printing and stationary	358,062	-	-	10,000	17,000	-	385,062
Auditors' remuneration	635,000	-	-	-	-	-	635,000
Legal and professional	476,042	-	-	-	350,258	-	826,300
Fees and subscription	2,781,024	-	-	118,000	1,027,437	5,550	3,932,011
News papers and periodicals	28,380	-	-	-	-	-	28,380
Advertisement and publicity	704,200	-	-	-	-	-	704,200
Depreciation and amortization	802,980	-	-	263,547	338,199	450	1,405,176
Contractual management fee	-	-	-	6,588,150	591,269	-	7,179,419
Others	320,661	-	-	12,420	-	-	339,511
	21,927,808	-	-	131,781,624	9,216,243	248,013	163,173,688

34.3.3 Other income

		2021					
		Generator project					
		Total	Modaraba's share	FPM Petro	FPM Solutions	Others	Total
Financing	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
	1,610,164	-	-	29,563	143,746	5,095	1,788,568
	2,450,766	-	-	-	-	16,016	2,466,782
	4,060,930	-	-	29,563	143,746	21,111	4,255,350

Other income

Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
643,660	-	-	55,832	67,948	7,565
25,800	-	-	-	-	140,114
669,460	-	-	55,832	67,948	147,679
					775,005
					165,914
					940,919

34.3.4 Financial charges

		Generator project						2021	
Financing	Rupees	Total	Modaraba's share	FPM Petro	FPM Solutions	Others	Total	Rupees	Rupees
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees		
11,919,296	-	-	-	-	-	-	11,919,296		
98,238	105	55	339	339	35	99,006			
12,017,534	105	55	339	339	35	12,018,302			
2020									

Financial charges

Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
15,587,900	-	-	-	-	15,587,900
49,343	3,199	1,666	2,712	1,356	56,377
15,637,243	3,199	1,666	2,712	1,356	15,644,277

Revenue reported in above segments generated from external customers.

The accounting policies of the reportable segments are the same as the Modaraba's accounting policies described in note 4 to these financial statements.

34.4 Other segment information

	2021					
	Generator project					
	Financing	Total	Modaraba's share	FPM Petro	FPM Solutions	Others
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Capital expenditure - net	64,500	-	-	1,149,000	-	-
Depreciation, amortization and impairment	616,391	-	-	435,916	282,743	790
Non - cash items (excluding depreciation, amortization and impairment)	(64,646)	-	-	-	-	-
	2020					
	Generator project					
	Financing	Total	Modaraba's share	FPM Petro	FPM Solutions	Others
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Capital expenditure - net	16,800	-	-	-	-	-
Depreciation, amortization and impairment	802,980	-	-	263,547	338,199	653
Non - cash items (excluding depreciation, amortization and impairment)	336,374	-	-	-	-	-

35. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

35.1 Financial risk factors

The objective of the Modaraba's financial risk management is to minimize volatility and provide maximum return to certificate holders. The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Modaraba's risk management framework and policies.

The Modaraba's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

The Audit Committee of the Management Company oversees how management monitors compliance with the Modaraba's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Modaraba.

The Modaraba has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

(a) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Modaraba by failing to discharge an obligation. The risk is generally limited to outstanding amount against financing facilities and trade debts. The Modaraba's policy is to enter into financial contracts in accordance with the risk management policies and the requirements of the Modaraba rules and regulations.

The carrying amount of these financial assets represents the maximum credit exposure at the reporting date.

	2021 Rupees	2020 Rupees
Murabaha financing	140,551,300	132,593,582
Diminishing musharaka financing	15,054,925	33,876,174
Musharaka financing	40,000,000	40,011,470
Loan to employees	941,000	1,224,000
Long-term deposits	380,969	341,969
Trade debtors	58,187,619	48,406,541
Advances and other receivables	5,340,291	3,170,518
Modaraba financing	8,898,222	10,594,532
Short-term murabaha financing	5,063,741	3,358,741
Accrued profit	5,471,932	6,181,021
Bank balances	95,039,440	75,790,352
	374,929,439	355,548,900

Description of collateral held

The Modaraba holds security in the form of mortgage of properties, hypothecation and pledge of goods and demand promissory notes against modaraba, murabaha, diminishing musharaka and musharaka investments.

Concentration of credit risk

The Modaraba manages credit risk and its concentration through diversification of activities to avoid undue concentration of risks with individuals, groups or specific industry segments. For this purpose, the Modaraba has established exposure limits for individuals / groups and industrial sectors.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Modaraba believes that it is not exposed to major concentration of credit risk. The modaraba's bankers are of good rating. Details of the industrial sector analysis of each financing are as follows:

	2021		2020	
	Rupees	%	Rupees	%
Chemical, fertilizer and pharmaceutical	19,935,104	9.14%	23,630,087	10.31%
Fuel and energy	1,033,685	0.47%	1,033,685	0.45%
Food, tobacco and beverages	79,838,689	36.59%	110,083,355	48.04%
Paper and board	43,040,000	19.72%	42,152,175	18.40%
Textile and Garments	-	0.00%	32,760	0.01%
Steel, engineering and automobiles	8,898,222	4.08%	10,594,532	4.62%
Transportation and communication	31,731,254	14.54%	13,683,358	5.97%
Others	32,968,221	15.46%	27,932,303	12.19%
	217,445,175	100%	229,142,255	100%

Modaraba's operations are restricted to Pakistan only.

Ageing analysis of financing facilities:

	2021			2020		
	Carrying amount		Provision held	Carrying amount		Provision held
	Not impaired Rupees	Impaired Rupees		Not impaired Rupees	Impaired Rupees	
Not past due	121,285,688	-	-	130,782,662	-	-
Past due 0 to 90 days	56,666,993	-	-	65,705,097	-	-
Past due 91 days to 1 year	20,757,528	-	-	19,360,735	-	-
Past due 1 to 2 year	8,000,000	-	-	-	-	-
Past due 2 year - 3 years	-	-	-	-	-	-
Past due more than 3 years	8,172,083	2,562,883	(2,562,883)	10,666,232	2,627,529	(2,627,529)
Total	214,882,292	2,562,883	(2,562,883)	226,514,726	2,627,529	(2,627,529)

Provision is recognised by the Modaraba as per the requirements given under Modaraba Prudential Regulations.

The credit quality of balances with banks that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

Banks	Rating			2021	2020
	Short-Term	Long-Term	Agency	Rupees	Rupees
State Bank of Pakistan	-	-	-	50,191	57,118
Habib Bank Limited	AAA	A1+	VIS	1,182,940	1,984,237
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	39,505,457	45,226,468
Faysal Bank Limited	A1+	AA+	PACRA	2,206,167	312,689
Meezan Bank Limited	AAA	A1+	VIS	50,528,686	26,360,363
Al Baraka Bank (Pakistan) Limited	A1	A	PACRA	318,505	1,803,360
Bank Islami Pakistan Limited	A1	A+	PACRA	1,247,494	46,117
				95,039,440	75,790,352

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Modaraba. Accordingly, the credit risk is minimal.

(b) Liquidity Risk

Liquidity risk is the risk that the Modaraba will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Modaraba could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Modaraba's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Modaraba's reputation. The Modaraba manages liquidity risk by monitoring future cash flows on a day-to-day basis. The amount disclosed in the table are undiscounted cash flows.

Contractual maturities of financial liabilities:

2021	Certificates of musharaka	Creditors, accrued and other liabilities	Accrued profit on certificates of musharaka	Unclaimed profit distributions	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Carrying amount	177,545,000	21,309,828	1,679,198	19,731,214	218,586,042
Contractual cash flows:					
Maturity upto one year	66,295,000	21,309,828	1,679,198	19,731,214	107,336,042
Maturity after one year but upto three years	57,660,000	-	-	-	57,660,000
More than three years	53,590,000	-	-	-	53,590,000
	177,545,000	21,309,828	1,679,198	19,731,214	218,586,042

2020	Certificates of musharaka	Creditors, accrued and other liabilities	Accrued profit on certificates of musharaka	Unclaimed profit distributions	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Carrying amount	175,691,200	13,289,982	2,658,107	19,224,847	208,206,029
Contractual cash flows:					
Maturity upto one year	57,656,200	13,289,982	2,658,107	19,224,847	90,171,029
Maturity after one year but upto three years	67,143,800	-	-	-	67,143,800
More than three years	50,891,200	-	-	-	50,891,200
	175,691,200	13,289,982	2,658,107	19,224,847	208,206,029

c) Market risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Modaraba is not exposed to equity price risk and currency risk. The profit rate risk associated with the Modaraba's business activities is stated as under:

Profit / mark-up rate risk

Mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market yield. The Modaraba has adopted appropriate policies to minimise its exposure to this risk. At the reporting date, the profit rate profile of the Modaraba's significant mark-up bearing financial instruments was as follows:

	2021 Rupees	2020 Rupees
Financial assets		
Murabaha financing	140,551,300	132,593,582
Diminishing musharaka financing	15,054,925	33,876,174
Short-term murabaha financing	5,063,741	3,358,741
Bank balances	61,548,662	49,132,363
	222,218,628	218,960,860
Financial liabilities		
Certificate of musharaka	177,545,000	175,691,200
On balance sheet gap	(115,996,338)	(126,558,837)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have (decreased) / increased profit for the year by the amounts shown below. This analysis assumes that all other variables remain constant. The following information summarizes the estimated effects of hypothetical increases and decreases in interest rates on cash flows from financial assets and liabilities that are subject to profit rate risk.

	2021		2020	
	Increase Rupees	Decrease Rupees	Increase Rupees	Decrease Rupees
Cash flow sensitivity - variable rate financial assets	2,222,186	(2,222,186)	2,189,609	(2,189,609)
Cash flow sensitivity - variable rate financial liabilities	(1,775,450)	1,775,450	(1,756,912)	1,756,912
Net effect	446,736	(446,736)	432,697	(432,697)

35.2 Recognized fair value measurements

(a) Financial Assets

Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Modaraba has classified its financial instruments into the following three levels.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available for sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Modaraba is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There were no financial asset and financial liability to be reported under above levels as the carrying amounts of all financial assets and financial liabilities presented in these financial statements are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value.

(b) Non-Financial Assets

The carrying value of all non-financial assets reflected in these financial statements are approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

35.3 Financial instruments by categories

	At amortized cost	
	2021 Rupees	2020 Rupees
Financial assets as per balance sheet		
Murabaha financing	140,551,300	132,593,582
Diminishing musharaka financing	15,054,925	33,876,174
Musharaka financing	40,000,000	40,011,470
Loan to employees	941,000	1,224,000
Long-term deposits	380,969	341,969
Trade debtors	58,187,619	48,406,541
Advances and other receivables	5,340,291	3,170,518
Modaraba financing	8,898,222	10,594,532
Short-term murabaha financing	5,063,741	3,358,741
Accrued profit	5,471,932	6,181,021
Cash and bank balances	95,126,239	75,852,255
	375,016,238	355,610,803
Financial liabilities as per balance sheet		
Certificates of musharaka	177,545,000	175,691,200
Creditors, accrued and other liabilities	21,309,828	13,289,982
Accrued profit on certificates of musharaka	1,679,198	2,658,107
Unclaimed profit distributions	19,731,214	19,224,847
	220,265,240	210,864,136

Reconciliation to the line items presented in the balance sheet is as follows:

	Financial assets Rupees	Non-financial assets Rupees	Total as per balance sheet Rupees
As at 30 June 2021			
Assets as per balance sheet			
Fixed Assets	-	17,196,015	17,196,015
Murabaha financing	140,551,300	-	140,551,300
Diminishing musharaka financing	15,054,925	-	15,054,925
Musharaka financing	40,000,000	-	40,000,000
Loan to employees	941,000	-	941,000
Long-term deposits	380,969	-	380,969
Stores and spares	-	3,619,496	3,619,496
Trade debtors	58,187,619	-	58,187,619
Advances, prepayments and other receivables	5,340,291	29,849,658	35,189,949
Modaraba financing	8,898,222	-	8,898,222
Short-term murabaha financing	5,063,741	-	5,063,741
Accrued profit	5,471,932	-	5,471,932
Tax refunds due from government	-	32,593,820	32,593,820
Cash and bank balances	95,126,239	-	95,126,239
	375,016,238	83,258,989	458,275,227

As at 30 June 2021

Deferred Income
Certificates of musharaka
Creditors, accrued and other liabilities
Accrued profit on certificates of musharaka
Unclaimed profit distributions

Financial liabilities	Non-financial liabilities	Total as per balance sheet
Rupees	Rupees	Rupees
-	24,017,975	24,017,975
177,545,000	-	177,545,000
21,309,828	2,831,753	24,141,581
1,679,198	-	1,679,198
19,731,214	-	19,731,214
220,265,240	26,849,728	247,114,968

As at 30 June 2020

Assets as per balance sheet

Fixed Assets
Murabaha financing
Diminishing musharaka financing
Musharaka financing
Loan to employees
Long-term deposits
Stores and spares
Trade debtors
Advances, prepayments and other receivables
Modaraba financing
Short-term murabaha financing
Accrued profit
Tax refunds due from government
Cash and bank balances

Financial assets	Non-financial assets	Total as per balance sheet
Rupees	Rupees	Rupees
-	17,349,264	17,349,264
132,593,582	-	132,593,582
33,876,174	-	33,876,174
40,011,470	-	40,011,470
1,224,000	-	1,224,000
341,969	-	341,969
-	6,793,783	6,793,783
48,406,541	-	48,406,541
3,170,518	36,443,736	39,614,254
10,594,532	-	10,594,532
3,358,741	-	3,358,741
6,181,021	-	6,181,021
-	31,077,237	31,077,237
75,852,255	-	75,852,255
355,610,803	91,664,020	447,274,823

As at 30 June 2020

Deferred Income
Certificates of musharaka
Creditors, accrued and other liabilities
Accrued profit on certificates of musharaka
Unclaimed profit distributions

Financial liabilities	Non-financial liabilities	Total as per balance sheet
Rupees	Rupees	Rupees
-	26,901,871	26,901,871
175,691,200	-	175,691,200
13,289,982	1,225,690	14,515,672
2,658,107	-	2,658,107
19,224,847	-	19,224,847
210,864,136	28,127,561	238,991,697

36. PROVIDENT FUND RELATED DISCLOSURE

36.1 The following information is based on un-audited financial information of the Staff Provident Fund for the year ended 30 June 2021 and 30 June 2020.

	2021 Rupees	2020 Rupees
Size of the funds - Total assets	<u>7,128,177</u>	<u>5,745,243</u>
Cost of investments	<u>1,400,000</u>	<u>1,400,000</u>
Fair value of investments out of Provident Fund	<u>7,128,177</u>	<u>5,745,243</u>
Percentage of investments made	<u>20%</u>	<u>24%</u>

36.2 Details of fair value of investments:

Bank balances	<u>4,920,470</u>	<u>3,915,650</u>
Debt securities	<u>2,207,707</u>	<u>1,829,593</u>
	<u>7,128,177</u>	<u>5,745,243</u>

37. NUMBER OF EMPLOYEES

The number of employees during the year are as follows:

Number of employees - permanent	<u>16</u>	<u>17</u>
Average number of employees - permanent	<u>17</u>	<u>19</u>
Number of employees - contractual	<u>2</u>	<u>2</u>
Average number of employees - contractual	<u>2</u>	<u>2</u>

38. GENERAL

38.1 Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, no significant reclassification / rearrangement of the corresponding figures has been made during the year in these financial statements.

38.2 Figures have been rounded off to the nearest rupees.

39. NON-ADJUSTING EVENTS AFTER THE REPORTING DATE

The Board of Directors of the Management Company in their meeting held on October 1, 2021 proposed a final profit distribution for the year ended 30 June 2021 of Rupee 0.45 per certificate (2020: Rupee 0.35 per certificate) for the certificate holders of the Modaraba. The approval of the certificate holders for the profit distribution will be obtained at the forthcoming Annual Review Meeting. The financial statements for the year ended 30 June 2021 do not include the effect of these appropriations which will be accounted for in the interim financial statements for the six months period ending on 31 December 2021.

40. DATE OF AUTHORISATION FOR ISSUE

These financial statements are approved and authorised for issue on October 1, 2021 by the Board of Directors of the Modaraba Management Company.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

Pattern of Shareholding

As On 30/06/2021

<--- HAVING SHARES --->

NO. OF

SHAREHOLDERS	From	To	SHARES HELD	PERCENTAGE
188	1	100	5,471	0.0397
152	101	500	39,690	0.2878
219	501	1000	181,142	1.1687
447	1001	5000	949,380	6.8853
87	5001	10000	622,900	4.5176
53	10001	15000	657,394	4.7677
20	15001	20000	339,352	2.4611
22	20001	25000	504,809	3.6611
17	25001	30000	463,159	3.3590
5	30001	35000	159,997	1.1604
6	35001	40000	224,281	1.6266
2	40001	45000	84,325	0.6116
5	45001	50000	234,653	1.7018
4	50001	55000	205,401	1.4897
5	55001	60000	287,854	2.0877
2	60001	65000	125,010	0.9066
5	65001	70000	339,899	2.4651
1	70001	75000	73,975	0.5365
4	75001	80000	313,241	2.2718
3	80001	85000	248,654	1.8034
1	90001	95000	93,451	0.6778
3	95001	100000	294,909	2.1388
1	100001	105000	101,132	0.7335
1	105001	110000	105,559	0.7656
4	110001	115000	456,042	3.3074
2	115001	120000	238,299	1.7283
1	125001	130000	128,749	0.9337
1	145001	150000	145,500	1.0552
2	150001	155000	303,438	2.2007
1	160001	165000	162,634	1.1795
1	175001	180000	356,500	2.5855
2	185001	190000	187,034	1.3565
1	190001	195000	190,703	1.3831
4	225001	230000	915,500	6.6396
1	290001	295000	291,020	2.1106
1	295001	300000	295,182	2.1408
1	315001	320000	318,042	2.3066
1	420001	425000	423,471	3.0712
1	425001	430000	429,184	3.1126
1	500001	505000	502,531	3.6446
1	1805001	1810000	1,808,949	13.1193
1279		Company Total	13,788,416	100.0000

FIRST PARAMOUNT MODARABA

Category of Shareholders

As On 30/06/2021

Particulars	No of Folio	Balance Share	Percentage
DIRECTORS, CEO & CHILDREN	4	263,388	1.9102
ASSOCIATED COMPANIES	4	1,965,768	14.2567
BANKS, DFI & NBFI	1	28	0.0002
GENERAL PUBLIC (LOCAL)	1232	9,790,195	71.0030
GENERAL PUBLIC (FORIEGN)	29	1,007,551	7.3072
OTHERS	8	258,955	1.8781
MODARABAS	1	502,531	3.6446
Company Total	1279	13,788,416	100.0000

FIRST PARAMOUNT MODARABA

Category of Shareholders

As On 30/06/2021

Folio No	Name	Code	Balance Held	Percentage
000000001121	MR. NADIM IQBAL	001	1160	0.0084
000000001706	MR. TANWEER AHMED MAGOON	001	99487	0.7215
000000002006	MR. HUMAYUN MAZHAR QURESHI	001	162634	1.1795
000000008271	MR. ABDUL RAZZAK JANGDA	001	107	0.0008
000000000001	PARAMOUNT INVESTMENTS	002	8371	0.0607
000000001963	PARAMOUNT INVESTMENT LIMITED	002	113292	0.8216
000000008004	PARAMOUNT INVESTMENTS	002	35156	0.2550
003277071155	PARAMOUNT INVESTMENTS	002	1808949	13.1193
003889000028	NATIONAL BANK OF PAKISTAN	004	28	0.0002
000000001259	MR. DAWOOD AKHTAR	009	1375	0.0100
000000001277	MR. MUHAMMAD ARSHAD	009	11627	0.0843
000000001316	MR. SHAKIL AKHTAR	009	1375	0.0100
000000001379	MR. JAVED AHMED ALVI	009	8944	0.0649
000000001557	MR. KAUSER MAHMOOD BUTT	009	11696	0.0848
000000001690	SYED ASIM BIN ZAHIR HASHMI	009	1375	0.0100
000000001745	MR. MOHAMMAD ILYAS	009	1375	0.0100
000000001773	MR. KHALID MAHMOOD	009	1375	0.0100
000000001885	MR. INAYAT UR REHMAN	009	4127	0.0299
000364036788	ZUBAIR NASEER (06143)	009	11586	0.0840
000364094282	AMIN JIBRIL	009	28015	0.2032
000364184968	MUHAMMAD AZHAR HAKEEM	009	500	0.0036
000364229250	SYEDA HUMERA AZHAR	009	500	0.0036
001826084921	MUHAMMAD SADIO FAROOQI /	009	8380	0.0608
003277079448	MUHAMMAD AQIB	009	12	0.0001
003277080778	ZEENAT ASHRAF DANGRA	009	297	0.0022
003277082920	ABDUL QADIR	009	429184	3.1126
003277082921	MUHAMMAD HAROON	009	423471	3.0712
003277092617	AHTESHAM SHEIKH	009	500	0.0036
003277099845	MUHAMMAD RAZA RAJANI	009	1190	0.0086
003277113109	MUHAMMAD IRFAN RASHID	009	500	0.0036
003525100160	KHALID LATIF SIDDIQUE	009	4950	0.0359
003525103315	AMIR SAEED CHAUDHRY	009	1160	0.0084
004002033460	SAEED MUHAMMAD	009	1375	0.0100
004010030051	OSAMA ZAHID	009	5141	0.0373
005264112917	KERSASP D SHEKH DAR	009	16000	0.1160
010629022213	RAFIQUE SULEMAN	009	30035	0.2178
010629052731	BADAR UDDIN JATOI	009	486	0.0035
010629225782	NADEEM MUZAFFAR	009	1000	0.0073
000000001344	SUBLIME SPORTS (PVT) LTD.	010	151375	1.0978
000000008403	M/S. EASTERN COMMERCIAL	010	1321	0.0096
000009900008	FEDERAL BOARD OF REVENUE	010	27233	0.1975
003277078335	TRUSTEE NATIONAL BANK OF	010	4821	0.0350
003277082127	TRUSTEE NATIONAL BANK OF	010	167	0.0012
003525087235	MAPLE LEAF CAPITAL LIMITED	010	1	0.0000
004705087224	FEDERAL BOARD OF REVENUE	010	73975	0.5365
006684152143	DREKKAR KINGSWAY LIMITED	010	62	0.0004
000009900005	FIRST NATIONAL MODARABA	011	502531	3.6446

Notice of Annual Review Meeting

Notice is hereby given that the Twenty Second (22nd) Annual Review Meeting of Certificate-Holders of First Paramount Modaraba (FPM) will be held on Thursday, October 28, 2021 at 03:15 p.m. Room No: 201, 2nd Floor, PECHS Community Hall, Block-2, PECHS, Shahrah-e-Quideen, Karachi, to transact the Following business:

- i) To confirm the minutes of 21st Annual review meeting held on 28th October 2020.
- ii) To review the performance of the Modaraba for the year ended 30 June 2021.
- iii) To transact any other business with the permission of chair.

On behalf of the Board

Ammad Uddin Jamal
(Company Secretary)
M/s Paramount Investments Limited
Managers of First Paramount Modaraba
04th October 2021
Karachi

Notes:

1. The certificate transfer books shall remain closed from Thursday, 21 October 2021 to Thursday, 28 October 2021 (both days inclusive). Transfers received in order at the office of the Registrar of First Paramount Modaraba (FPM) i.e. M/sTHK Associates (Pvt.) Ltd., before the close of business hours on Wednesday, 20 October 2021 will be treated as in time for the purpose of entitlement to Cash Dividend to the transferees and to attend the Annual Review Meeting.
2. The Certificate holders are advised to notify change in their address, if any, to the Share Registrars, M/s THK Associates (Pvt.) Ltd, at Plot No-32-C, Jami Commercial Street 2,DHA Phase VII Karachi – 75500, Telephone No: 021-111-000-322, Fax No: 021-35310191.
3. **Coronavirus contingency planning for the Annual Review Meeting (ARM)**

Due to current COVID-19 situation and to ensure the safety and well-being of the shareholders and general public, the Modaraba is holding this meeting physically and through video link as allowed by the Securities and Exchange Commission of Pakistan vide its Circular No. 6 of 2021 dated 03 March, 2021. To attend the ARM through video link, the members and their proxies are requested to register themselves by providing the following information along with their Name, Folio Number, Cell No., and Number of Shares held in their name, a valid copy of CNIC (both sides)/ passport attested copy of board resolution / power of attorney (in case of corporate shareholders) through email with subject "Registration for FPM ARM" at ammadjamal@fpm.com.pk by October 15, 2021:

Name of Member/ proxyholders	CNIC No	Folio No./ Participant Id/ Account No.	Cell No./ WhatsApp's No.	Email ID.

The shareholders who are registered after the necessary verification shall be provided a video link by the Modaraba on the said email address. The login facility will remain open from start of the meeting till its proceedings are concluded. Members are therefore, encouraged to attend the AGM through video link and by consolidating their attendance through proxies.

A) For attending the Meeting Physically:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original CNIC or original passport at the time of attending the Meeting.
- ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the Meeting.

B) For appointing Proxies:

- i) In case of individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
4. In terms of Securities and Exchange Commission of Pakistan's (SECP) S.R.O. 634 2014, the Annual Report for the year ended 30 June 2021 will also be placed on Modaraba's website simultaneously with the dispatch of the same to the Certificate holders.

5. Deduction of withholding tax on the amount of Dividend

The Government of Pakistan through Finance Act, 2021 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby the rates that are prescribed for deduction of withholding tax on the amount of dividend paid by the companies are as under:

- (a) Whose name appearing in the Active Tax Payers List : 25%
- (b) Whose name not appearing in the Active Tax Payers List: 50%

To enable the company to make tax deduction on the amount of cash dividend @ 25% instead of 50%, all the certificate holders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the start of closed period (referred above) otherwise tax on their cash dividend will be deducted @50% instead of 25%. For any query/problem/information, the Certificate holders may contact the Share Registrar at Plot No-32-C, Jami Commercial Street 2,DHA Phase VII Karachi – 75500, Telephone No: 021-111-000-322, Fax No: 021-35310191.

The corporate certificate holders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical certificate holders should send a copy of their NTN certificate to the Company or its Share Registrar. The certificate holders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

Certificate holders seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be. Certificate holders desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

6. Dividend Mandate (Mandatory)

As per Section 242 of the Companies Act, 2017 (the "Act"), the payment of cash dividend through electronic mode has now become mandatory. Therefore, all the certificate holders of First Paramount Modaraba (FPM) are hereby advised to provide dividend mandate of their respective banks in the "Dividend Mandate Form" available on Company's website. Certificate holders maintaining shareholding under Central Depository System (CDS) are advised to submit their bank mandate information directly to the relevant participant / CDC Investor Account Service. For more information, you may contact our share registrar at Plot No-32-C, Jami Commercial Street 2,DHA Phase VII Karachi – 75500, Telephone No: 021-111-000-322, Fax No: 021-35310191.

7. Withholding tax on dividend in case of Joint Account Holders

All certificate holders who hold certificates jointly are requested to provide shareholding proportions of Principal certificate holder and Joint-holder(s) in respect of certificates held by them to our Share Registrar, in writing as follows:

Folio No. / CDC Account No.	Total Certificates	Principal Certificate holder		Joint Certificate holder	
		Name and CNIC No.	Certificate holding Proportion (No. of certificates)	Name and CNIC No.	Certificate holding Proportion (No. of certificates)

The required information must reach our Share Registrar before the close of business on Wednesday, 20th October 2021; otherwise it will be assumed that the certificates are equally held by Principal Certificate-Holder and Joint-holder(s).

8. As per the directives issued by the Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O.787(1)2014 dated 08 September 2014, companies are allowed the circulation of Audited Financial Statements along with Notice of Annual Review Meeting

to their certificate holders through email. Certificate holders who wish to receive Modaraba's Annual Report via email in future are requested to fill the consent form (available at First Paramount Modaraba website) and return it to our Share Registrar at Plot No-32-C, Jami Commercial Street 2, DHA Phase VII Karachi – 75500, Telephone No: 021-111-000-322, Fax No: 021-35310191.

9. Circulation of Annual Audited Accounts via Email/CD/USB/DVD or Any Other Media

Certificate holders, who by any reason, could not claim their dividends or do not collect their physical Modaraba certificate, are advised to contact our share Registrar THK Associates (Private) Limited, to collect/ enquires about their unclaimed dividend or pending Modaraba Certificates, if any. Please note that in compliance with section 244 of the Companies Act 2017, after having completed the stipulated procedures, all dividends unclaimed for a period of three years, from the date due and payable, shall be deposited to the credit of the Federal Government and in case of share/certificates, shall be delivered to the Securities & Exchange Commission of Pakistan.

DIVIDEND MANDATE FORM

Date: _____

I hereby wish to communicate my desire to receive my dividends directly in my bank account as detailed below:

1. Name of shareholder/certificate holder: _____
2. Folio number: _____
3. Postal Address: _____
4. Contact number: _____
5. Name of Bank: _____
6. Bank Branch & full mailing address: _____
7. Title of Bank Account: _____
8. Bank Account No. (Complete with code): _____
9. IBAN Number (complete with code): _____
10. CNIC No. (Attach copy): _____
11. NTN (in case of corporate entity, attach copy): _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

INDIVIDUAL CERTIFICATE HOLDER(S)

Signature _____

CNIC No. _____
(copy attached)

CORPORATE ENTITY

Authorized Signatory (ies) _____

NTN No. _____
(copy attached)

(In case Certificates held in CDC then please inform concerned Participant / CDC Investor Account Services).

**FORM OF PROXY
ANNUAL REVIEW MEETING**

I/We _____ of
_____ CDC A/C No. I Folio No. _____ being
a Certificate Holder of M/s First Paramount Modaraba. Do hereby appoint
Mr./Miss/Ms _____ of
_____ CDC A/C No. I Folio No. _____
And or failing him /her _____ of
_____.

Who is / are also a Certificate Holder of said Company, as my/ our proxy in my/ our absence and to vote
For me / us at the Annual Review Meeting of the Company to be held on October 28, 2021, Thursday
at 03:15 P.M. at PIMA House, 2nd Floor, Room No: 201, PECHS Community Centre, Block-2, PECHS,
Shahrah-e-Quideen, Karachi and at any adjournment thereof in the same manner as I/we
myself/ourselves would vote if personally present at such meeting.

As witness my/our hands in this day of _____.

Signature: _____

Address: _____

CNIC No.: _____

No. of Certificate(s) held: _____

Affix Revenue

Stamp of Rs. 5

(Note: signature should agree with the specimen Signature registered with the Company I Share Registrar).

Note:

No Proxy shall be valid unless duly signed along with revenue stamp and in case of company should be executed under its common seal under signed by its authorized person.








1. This instrument appointing a proxy, duly completed, must be received at the registered Office of the Modaraba at Suit No. 107-108, P.E.C.H.S. Community Office Complex, Block No. 2, P.E.C.H.S., Shahrah-e-Quaideen, Karachi not later than 48 hours before the time of holding the Annual Review Meeting.
2. Attested copies of the CNIC or the Passport of beneficial owners shall be furnished with the proxy form.
3. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
4. In case of corporate entity, the Board's Resolution I Power of attorney with specimen signature of the nominee shall be furnished along with proxy form to the company










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AN ISLAMIC FINANCIAL INSTITUTION
**FIRST PARAMOUNT
MODARABA**
AMANAT • SHIRAKAT • BARKAT

First Paramount Modaraba (An Islamic Financial Institution)

REGISTERED OFFICE

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Email: customersupport@fpm.com.pk, Web: www.fpm.com.pk