

ANNUAL REPORT 2022



**FIRST AL-NOOR
MODARABA**

(An Islamic Financial Institution)



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COMPANY INFORMATION

BOARD OF DIRECTORS

Non Executive Directors

Chairman

Mr. Zia Zakaria

Directors

Mr. Abdul Aziz Ayoob

Mr. Noor Muhammad Zakaria

Mr. Abdul Rahim Suriya, Independent

Mr. Tausif Ilyas, Independent

Dr. Irum Saba, Independent

Executive Directors

Chief Executive

Mr. Zainuddin Aziz

Chief Financial Officer

Mr. Umair Rafiq

Company Secretary

Mr. Roofi Abdul Razzak

Board Audit Committee - Chairman

Mr. Abdul Rahim Suriya - Chairman

Mr. Tausif Ilyas - Member

Mr. Zia I. Zakaria - Member

HR & Remuneration Committee

Mr. Tausif Ilyas - Chairman

Mr. Zainuddin Ayoob - Member

Mr. A. Aziz Ayoob - Member

Bankers

Al-Baraka Bank (Pakistan) Limited

Askari Bank Limited, Islamic Banking

Faysal Bank Limited, Barkat Islamic Banking

Habib Bank Limited, Islamic Banking

MIB Bank Limited, Islamic Banking

Meezan Bank Limited

National Bank of Pakistan

Auditors

Grant Thornton Anjum Rahman

Chartered Accountants

Shariah Advisor

Al Hamd Shariah Advisory Services (Pvt.) Ltd.

Legal Advisor

Mr. Sufyan Zaman

Advocate High Court

Share Registrar (Share Registration Office)

M/s FAMCO Associates (Private) Limited

8-F, Near Hotel Faran, Nursery, Block-6

P.E.C.H.S, Shahra-e-Faisal, Karachi

Tel: +92 21 3438 0103-5, 3438 4621-3

Fax: 3438 0106

Registered Office

96-A, Sindhi Muslim Cooperative

Housing Society, Karachi

Contact Details

Telephone : 34558268; 34552943; 34553067

Fax : 34553137

Webpage : www.fanm.co

Email : info@fanm.co



CHAIRMAN'S REVIEW REPORT

Dear Certificate Holders,

I am pleased to present to the certificate holders of First Al-Noor Modaraba, review of the financial performance of the Company along with the audited Financial Statements for the year ended June 30, 2022.

Alhamdulillah, during the year we had maintained a gross yield of over 14%. We have achieved a profit after tax of Rs. 2.306 million for the year ended June 30, 2022. The revenue from ongoing business increased by over 33% whereas the operating expenses reduced nearly by 12%.

The Modaraba has successfully concluded its consolidation phase and now moving towards growth trajectory. The redefined strategy expected to yield sustainable growth with perpetual returns for all its stakeholders.

On behalf of the Board of Directors, I would like to acknowledge the contribution of all the team for their hard work in effectively managing the impact of crises. I look forward to and pray to ALLAH SWT for the success and continued growth of the Modaraba.

Zia Zakaria
Chairman

September 19, 2022

چیئرمین کی جائزہ رپورٹ

پیارے سرٹیفکیٹ ہولڈرز،

میں انتہائی مسرت کے ساتھ فرسٹ النور مضاربہ کے سرٹیفکیٹ ہولڈرز کے سامنے 30 جون 2022 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ کمپنی کی مالی کارکردگی کا جائزہ پیش کر رہا ہوں۔

الحمدللہ، سال کے دوران ہم نے 14 فیصد سے زیادہ کی مجموعی پیداوار کو برقرار رکھا۔ ہم نے ختم ہونے والے مالی سال میں بعداز ٹیکس منافع 2.306 ملین حاصل کیا ہے۔ - جاری کاروبار سے حاصل ہونے والی آمدنی میں 33 فیصد سے زیادہ کا اضافہ ہوا جبکہ آپریٹنگ اخراجات میں تقریباً 12 فیصد کی کمی واقع ہوئی۔

مضاربہ نے کامیابی کے ساتھ اپنے استحکام کا مرحلہ مکمل کر لیا ہے اور اب ترقی کی رفتار کی طرف بڑھ رہا ہے۔ نئے سرے سے طے شدہ حکمت عملی میں اپنے تمام اسٹیک ہولڈرز کے لیے مستقل منافع کے ساتھ پائیدار ترقی کی توقع رکھتی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے، میں بحرانوں کے اثرات کو مؤثر طریقے سے سنبھالنے میں تمام ٹیم کی محنت کے لیے ان کی شراکت کا اعتراف کرنا چاہتا ہوں۔ میں مضاربہ کی کامیابی اور مسلسل ترقی کے لیے اللہ سبحانہ و تعالیٰ سے دعا گو ہوں۔

ضیاء زکریا

چیئرمین

19 ستمبر 2022



OUR VISION

To become sustainable, growth oriented and efficient Modaraba, and to offer wide range of product and services catering to the need of the customers.

The Modaraba management should consider the interest of all the stake holders before making any business decision and to do that they should do concrete efforts to achieve their objectives.

OUR MISSION

- ▶ To inculcate the most efficient, ethical and time tested business practices in our management.
- ▶ To uphold our reputation for acting with responsibility and integrity, respecting the laws and regulations, traditions and cultures of the country within which we operate.
- ▶ To accomplish excellent results through increased earnings which can benefit all the stakeholders.
- ▶ To work as a team and put the interest of the Modaraba before that of the individuals.



VERTICAL ANALYSIS

BALANCE SHEET ITEMS (in %age)

ASSETS	2022	2021	2020	2019	2018
NON-CURRENT ASSETS					
Fixed Assets - tangible					
Long term deposits	1.42	1.41	1.42	1.33	1.22
Long Term Portion of invstment diminshing musharakah (syndicate)	13.29	27.74	14.37	14.82	12.80
Long Term Investments	6.81	7.50	10.26	10.69	10.73
Ijarah Assets	-	0.37	2.29	15.07	30.85
Fixed Assets in own use	0.81	0.98	1.48	1.59	1.87
Deferred tax asset	1.16	-	-	-	-
CURRENT ASSETS					
Cash & Bank Balances	35.24	21.69	3.40	11.71	7.67
Short Term investments	19.55	10.77	45.16	4.18	8.12
Musawamah receivables - secured	-	-	-	-	-
Ijarah rental receivable	-	0.03	0.22	0.61	0.83
Trade Receivables	-	-	-	1.28	4.10
Stock in trade	-	-	-	18.68	9.85
Advances, Deposits, Prepayments & Other Receivables	1.76	9.75	3.47	5.94	3.04
Current portion of investment in Sukuk Certificates	-	0.13	0.26	0.25	0.23
Current portion of investment in diminishing musharakah	18.61	17.17	15.26	11.80	7.04
Income tax refundable/paid in advance	1.00	2.18	2.14	1.63	1.34
Profit Receivable	0.34	0.29	0.24	0.39	0.32
TOTAL ASSETS	100.00	100.00	100.00	100.00	100.00
EQUITY & LIABILITIES					
CAPITAL & RESERVES					
Issued, subscribed and paid up capital	77.88	77.19	77.98	72.67	66.38
Reserves	36.41	35.75	36.33	33.86	30.92
Unappropriated profit	(19.34)	(19.39)	(20.18)	(19.31)	(11.83)
Unrealised appreciation on remeasurement of investment classified as available for Sales-net	(1.50)	(0.85)	(1.99)	(2.56)	(1.89)
TOTAL CAPITAL AND RESERVES	93.44	92.69	92.13	84.66	83.57
NON-CURRENT LIABILITIES					
Security Deposits	-	-	0.16	0.78	6.71
Deferred liability - staff gratuity	3.40	2.76	2.77	3.40	2.39
CURRENT LIABILITIES					
Current maturity of security deposits	-	0.20	1.01	6.05	2.86
Creditors, accrued and other liabilities	1.50	2.72	2.27	3.40	2.90
Provision for custom duty/surcharge	1.63	1.62	1.63	1.52	1.39
Profit payable	0.03	0.01	0.02	0.19	0.17
TOTAL EQUITIES & LIABILITIES	100.00	100.00	100.00	100.00	100.00
PROFIT & LOSS ACCOUNT ITEMS					
Profit on trading operations	35.33	-	6.98	7.55	4.46
Income on Diminshing Musharakah (Syndicate)	-	-	6.54	15.21	17.01
Income on Musawamah receivables	-	-	-	-	0.30
Income on Diminshing Musharakah	43.87	44.69	36.29	22.70	2.06
Income from Ijarah	2.29	6.03	23.50	42.82	58.18
Income from investments	18.52	49.28	26.69	11.71	17.99
Gross Revenue	100.00	100.00	100.00	100.00	100.00
Operating Expenses	(71.49)	(107.38)	(100.23)	(111.09)	(118.01)
(Provision)/Reversal of provision on non-performing assets	-	-	-	-	(50.16)
Impairment loss on trade debtors and other receivables	-	-	(10.45)	(15.45)	-
Financial and other charges	(0.09)	(0.06)	(0.08)	(0.11)	(0.13)
Other Income	2.79	14.70	19.95	6.37	4.38
Unrealized gain/(loss) on remeasurement of investments classified at fair value through profit & loss	(24.30)	(10.24)	(13.33)	(30.55)	(33.18)
Share of profit from associates	2.25	9.28	3.49	(4.36)	(3.27)
Modaraba Company's management fee	-	-	-	-	-
Income tax	(2.95)	(3.72)	-	-	-
Provision for workers welfare fund	(0.09)	(0.13)	-	-	-
Profit for the year (in %age)	0.06	0.02	(0.01)	(0.55)	(1.00)



HORIZONTAL ANALYSIS

BALANCE SHEET (%)

ASSETS	2022	2021	2020	2019	2018
NON-CURRENT ASSETS					
Long term deposits	0.00	-	-	-	-
Long Term Portion of invstment diminshing musharakah	(52.50)	94.76	(9.54)	5.74	(3.35)
Long Term Investments	(10.05)	(26.28)	(10.41)	(8.99)	5.03
Ijarah Assets	(100.00)	(83.73)	(85.81)	(55.38)	(31.36)
Fixed Assets in own use	(18.28)	(33.35)	(13.31)	(22.36)	13.79
Deferred tax asset	100.00	-	-	-	-
CURRENT ASSETS					
Bank Balances	61.08	543.07	(72.89)	39.40	111.46
Short Term investments	79.93	(75.94)	908.84	(53.01)	(30.81)
Musawamah receivables - secured	-	-	-	-	(100.00)
Ijarah rental receivable	(100.00)	(87.06)	(66.01)	(32.11)	(16.51)
Trade Receivables	-	-	(100.00)	(71.37)	51.64
Stock in trade	-	-	(100.00)	73.23	100.00
Advances, Deposits, Prepayments & Other Receivables	(82.11)	183.37	(45.49)	78.77	(66.65)
Current portion of investment in Sukuk Certificates	(100.00)	(50.00)	0.00	-	(50.00)
Current portion of investment in diminishing musharakah	7.42	13.49	20.68	53.20	23.13
Income tax refundable/paid in advance	(54.35)	2.52	22.59	0.11	0.15
Profit Receivable	18.81	21.14	(42.92)	11.22	(14.37)
TOTAL ASSETS	(0.88)	0.89	(6.68)	(8.67)	(9.98)

EQUITY & LIABILITIES CAPITAL & RESERVES

Issued, subscribed and paid up capital	-	-	-	-	-
Reserves	0.95	(0.34)	(0.26)	-	(0.25)
Unappropriated profit	(1.14)	(2.45)	(3.04)	49.03	262.74
Unrealised diminution on remeasurement of investment classified as 'available for sale'- net					
	74.93	(56.87)	(27.51)	23.73	14.49
TOTAL CAPITAL AND RESERVES	74.74	(59.66)	(30.80)	72.76	276.97

NON-CURRENT LIABILITIES

Security Deposits	-	(100.00)	(80.30)	(89.38)	(23.55)
Deferred liability - staff gratuity	22.20	0.55	(24.03)	29.91	21.55

CURRENT LIABILITIES

Current maturity of security deposits	(100.00)	(79.44)	(84.48)	92.96	4.73
Creditors, accrued and other liabilities	(45.42)	21.15	(37.73)	6.79	(19.56)
Provision for custom duty/surcharge	-	-	-	-	-
Profit payable	269.30	(59.62)	(90.56)	2.64	12.57
TOTAL EQUITIES & LIABILITIES	220.82	(277.02)	(6.80)	(8.67)	(9.98)

PROFIT & LOSS ACCOUNT (%)	2022	2021	2020	2019	2018
Profit on trading operations	100.00	(100.00)	9.89	73.76	(5.83)
Income on diminshing musharakah (Syndicate)	37.96	(100.00)	(48.83)	(8.20)	(19.59)
Income on musawamah receivables	-	-	-	(100.00)	100.00
Income on Diminshing Musharakah	37.96	8.41	90.14	1,029.94	795.55
Income from Ijarah	(46.76)	(77.40)	(34.72)	(24.45)	(13.63)
Income from investments	(47.18)	62.55	171.03	(33.15)	(72.10)
Operating Expenses	(6.43)	(5.68)	7.32	(3.37)	14.99
Provision)/Reversal of provision on non-performing assets	-	-	-	(100.00)	-
Impairment loss on trade debtors and other receivables	-	(100.00)	(19.53)	-	-
Financial and other charges	101.75	(36.35)	(5.54)	(14.36)	(13.75)
Other Income	(73.32)	(35.15)	272.72	49.28	(78.86)
Unrealized gain/(loss) on remeasurement of investments classified at fair value through profit & loss	233.42	(32.37)	(48.09)	(5.48)	97.29
Share of profit from associates	65.90	(133.91)	195.18	36.94	(168.42)
Modaraba Company's management fee	-	-	-	-	(100.00)
Income tax expenses	100.00	100.00	-	-	-
Provision for workers welfare fund	-	-	-	-	(100.00)
Profit / (Loss) for the year	5.03	(4.50)	5.90	9.01	4.36



KEY FINANCIAL DATA SIX YEARS AT A GLANCE

KEY FINANCIAL DATA	2022	2021	2020	2019	2018	2017
Figures in Million						
Total Assets	266.52	272.06	269.67	288.96	316.38	351.46
Fixed Assets (owned)	2.17	2.66	3.99	4.60	5.92	5.21
Fixed Assets (ijarah)	-	1.01	6.18	43.56	97.61	142.21
Other Non Current Assets	58.04	99.72	70.27	77.58	78.31	78.09
Current Assets	206.31	168.68	189.23	163.22	134.54	125.96
Total Liabilities	17.69	19.89	21.18	44.32	51.97	58.93
Current Liabilities	8.52	12.38	13.27	32.24	23.18	24.95
Non Current Liabilities	9.17	7.51	7.91	12.08	28.78	33.98
Total Equity	251.96	252.17	248.12	244.64	264.41	292.54
Reserves	98.18	97.26	97.59	97.84	97.84	98.09
Certificate Holders' Equity	210.00	210.00	210.00	210.00	210.00	210.00
Unappropriated	(52.16)	(52.77)	(54.09)	(55.79)	(37.43)	(10.32)
Deficit on revaluation of investments	(4.05)	(2.32)	(5.37)	(7.41)	(5.99)	(5.23)
Gross Revenue	38.70	30.73	36.50	27.21	26.01	44.53
Net Revenue	2.31	0.65	(0.20)	(14.12)	(25.01)	3.03
Earning (loss) per Certificate - Rs. 10/- each	0.11	0.03	(0.01)	(0.67)	(1.19)	0.14
Cash dividend (%)	0.00%	0.00%	0.00%	0.00%	0.00%	1.20%

STAKEHOLDER INFORMATION	2022	2021	2020	2019	2018	2017
Profit after tax ratio (%)	0.06	0.02	(0.36)	(21.39)	(28.10)	3.04
Return on equity / capital employed	0.009	0.003	(0.08)	(5.55)	(8.98)	1.04
Assets Turnover Ratio (%)	14%	10%	60.61	46.03	40.68	69.28
Current ratio	24.22	13.62	14.26	5.06	5.80	5.05
Market Value per certificate (year end)						
High	3.2	3.2	3.00	3.10	3.00	5.45
Low	3.2	3.2	3.00	3.10	3.00	4.14
Closing	3.2	3.2	3.00	3.10	3.00	4.14
EPC (Earning per certificate)	0.11	0.03	(0.01)	(0.67)	(1.19)	0.14
Net assets / breakup value per certificate	1.20	1.20	-	11.65	12.59	13.93
Earning asset to total assets ratio (%)	60.77	66.17	91.02	87.21	87.29	84.52
Price earning ratio	29.14	102.70	(320.51)	(4.63)	(2.52)	28.71
Dividend Yield Ratio (%)	-	-	-	-	-	2.90
Cash Dividend per certificate (in Rs.)	-	-	-	-	-	0.12



THIRTIETH REPORT OF THE DIRECTORS OF MODARABA COMPANY FOR THE YEAR ENDED JUNE 30, 2022

On behalf of Board of Directors of Al-Noor Modaraba Management (Private) Limited, the "mudarib/management company" of First Al-Noor Modaraba (FAM), we are pleased to present the Thirtieth Annual Report together with the Audited Financial Statements of the Modaraba for the year ended June 30, 2022:

	For the year ended	
	June 30, 2022	June 30, 2021
	----- Amount in Pak. Rupees -----	
(Loss)/Profit after Taxation	2,306,122	654,354
Components of Other comprehensive income	(902,655)	516,274
Surplus/(Deficit) transferred to accumulated losses	121,621	(174,625)
Transfer to Statutory Reserve	(461,224)	(130,871)
Unappropriated profit/(loss) brought forward	(53,226,994)	(54,092,126)
	<u>(52,163,130)</u>	<u>(53,226,994)</u>
DISTRIBUTION		
Profit distribution @ 0.00% (2021 @ 0.00%)	-	-
Bonus Certificates @ 10% (2021 @ 0.00%)	(21,000,000)	-
General Reserve	-	-

The Board of Directors of Al-Noor Modaraba Management (Private) Limited, the "mudarib/management company" of First Al-Noor Modaraba (FAM), approved bonus certificates @ 10% i.e. 10 certificates for every 100 certificate held) for the year ended June 30, 2022.

Economic Review and Review of Operations

Pakistan's economy posted a robust GDP growth of 5.97% for the fiscal year ended June 30, 2022. However, the geographical uncertainty, arising out of Russia-Ukraine conflict, has amplified macroeconomic imbalances and global commodity prices have increased substantially. The current account deficit for the period July-June 2022 rose to US \$ 17.4 billion while the average CPI inflation rose to 12.90%. This led the State Bank of Pakistan to raise policy rate to 15 percent as part of monetary tightening which has been underway since September, 2021 to tame the rising inflation. The Federal Government has also increased the income taxes on selected corporate sector to fill the fiscal gap.

These steps also had direct impact on the Pakistan Stock Exchange and it witnessed a drastic slump by over 8% since the beginning of calendar year 2022 and over 11% since beginning of current financial year.

During the year, the modaraba recommenced its trading business and witness a reasonable profit from this venture.

Future Outlook

Modaraba will be moving forward with comprehensive commodity trading business as well as secondary market operations keeping in view the economic vulnerabilities, in order to attain reasonable profitability to serve the certificate holders with sustainable and perpetual distribution.

Shariah Perspective

Islamic finance derives its value proposition from the application of Shariah contracts and processes in financial and non-financial transactions that provide for different risks and return profiles. In spite of all difficulties, management remains observant to uphold these Shariah principles.

A complete Shariah Audit report of Shariah Advisor for the year ended June 30, 2022 is also attached with annual report.



The Board of Directors and Audit Committee

No change has taken place within Board of Directors of the Al-Noor Modaraba Management (Private) Limited, the management Company of First Al-Noor Modaraba since the Directors' report for the year ended June 30, 2021:

Directors Training & Orientation

Majority directors are compliant with necessary requirements of Directors Training Certificate with few trained at The Institute of Chartered Accountants of Pakistan (ICMAP) and Institute of Business Administration (IBA).

Pattern of Certificate Holders

A Statement showing pattern of Certificate Holding of the Modaraba and additional information as at June 30, 2022 is included in this report.

Corporate and Financial Reporting Framework

The Directors are pleased to confirm compliance with Corporate and Financial Reporting Framework of the Securities & Exchange Commission Pakistan (SECP) and the Code of Corporate Governance for the following:

- The financial statements, prepared by the management of the modaraba, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the modaraba have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates used are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable to Modarabas in Pakistan, have been followed in preparation of financial statements and any departures there from have been adequately disclosed. Further, the management of the Modaraba appreciates the unreserved compliance of IFRS to the possible extent in order to promote the fair financial reporting.
- The system of internal control is in place and has been effectively implemented. It is being continuously reviewed by internal audit and other such procedures.
- Board is satisfied with the Modaraba's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2019, except those mentioned in the statement of compliance with code of corporate governance.
- Key operating and financial data for the last six years in summarized form is included in this annual report.
- There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on June 30, 2022 except for those disclosed in the financial statements.

Composition of the Board

The composition of the Board of Directors of the Company as on June 30, 2022 is as follows:

1. The total number of Directors are Seven as per the following:

Male	:	6
Female	:	1



2. The number of Directors under respective categories are as follows:

Category	Names
Independent Directors	1) Mr. Abdul Rahim Suriya 2) Mr. Tausif Ilyas 3) Dr. Irum Saba
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. A. Aziz Ayoob 2) Mr. Noor Muhammad Zakaria 3) Mr. Zia Zakaria

Directors' attendance

During the year, four (4) Board meetings were held. Attendance by each Director was as follows:

Name of Director	Number of Meetings attended	28-Sept-21	29-Oct-21	23-Feb-22	19-Apr-22
Mr. A. Aziz Ayoob	2/4	x	x	✓	✓
Mr. Zia I. Zakaria	4/4	✓	✓	✓	✓
Mr. Noor Muhammad Zakaria	3/4	x	✓	✓	✓
Mr. Zainuddin Ayoob	4/4	✓	✓	✓	✓
Mr. Abdul Rahim Suriya	4/4	✓	✓	✓	✓
Mr. Tausif Ilyas	4/4	✓	✓	✓	✓
Dr. Irum Saba	3/4	✓	x	✓	✓

Auditors

The Board, on the recommendation of the Board's Audit Committee, has appointed M/s. Anjum Rahman, Grant Thornton, Chartered Accountants, offer themselves for reappointment as auditors for the financial year ending June 30, 2023 with subject to the approval of Registrar Modaraba SECP.

Acknowledgement

The Board would like to express its sincere thanks and gratitude for the continued support and guidance provided by Securities & Exchange Commission of Pakistan, Registrar Modaraba Companies and clients of the Modaraba for their patronage and business, Certificate holders who have remained committed to First Al-Noor Modaraba. In the end Board appreciates dedication, high level of professionalism and hard work of employees of your Modaraba for achieving the objectives.

On behalf of the Board

Sd/-
Zainuddin Aziz
Chief Executive/Director

Dated : September 19, 2022
Place : Karachi



✓	✓	✓	x	3/4	جناب نور محمد ذکریا
✓	✓	✓	✓	4/4	جناب زین الدین ایوب
✓	✓	✓	✓	4/4	جناب عبدالرحیم سریا
✓	✓	✓	✓	4/4	جناب توصیف الیاس
✓	✓	x	✓	3/4	ڈاکٹر ارم صبا

آڈیٹرز

بورڈ نے، بورڈ کی آڈٹ کمیٹی کی سفارش پر، میسرانجم رحمان، گرانٹ تھورنٹن، چارٹرڈ اکاؤنٹنٹس، رجسٹرار مضاربہ SECP کی منظوری کے ساتھ 30 جون 2023 کو ختم ہونے والے مالی سال کے لیے بطور آڈیٹر دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔

اعتراف

بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، رجسٹرار مضاربہ کمپنیز اور مضاربہ کے کلائنٹس کی طرف سے اپنی سرپرستی اور رہنمائی سہولت کی ہولڈرز کا تہہ دل سے شکریہ ادا کرتا ہے۔ آخر میں بورڈ مقاصد کے حصول کے لیے آپ کے مضاربہ کے ملازمین کی لگن، اعلیٰ پیشہ ورانہ مہارت اور محنت کو سراہتا ہے۔

بورڈ کی جانب سے

زین الدین عزیز

چیف ایگزیکٹو/ڈائریکٹر

بتاریخ: 19 ستمبر 2022

جگہ: کراچی

دانشمندانہ فیصلے پر مبنی ہیں۔

- بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRS)، جیسا کہ پاکستان میں اداروں پر لاگو ہوتا ہے، مالیاتی بیانات کی تیاری میں پیروی کی گئی ہے اور وہاں سے کسی بھی روانگی کے بارے میں مناسب طور پر انکشاف کیا گیا ہے۔ مزید برآں، مضاربہ کی انتظامیہ منصفانہ مالیاتی رپورٹنگ کو فروغ دینے کے لیے ممکنہ حد تک IFRS کی غیر محفوظ تعمیل کی تعریف کرتی ہے۔
- اندرونی کنٹرول کا نظام اپنی جگہ پر ہے اور اسے مؤثر طریقے سے نافذ کیا گیا ہے۔ اندرونی آڈٹ اور اس طرح کے دیگر طریقہ کار کے ذریعے اس کا مسلسل جائزہ لیا جا رہا ہے۔
- بورڈ مضاربہ کی ایک جاری تشویش کے طور پر جاری رکھنے کی صلاحیت سے مطمئن ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں تفصیل سے بتایا گیا ہے، سوائے اُن کارپوریٹ گورننس کے ضابطہ کی تعمیل کے اسٹیٹمنٹ میں بیان کردہ ہے۔
- پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا خلاصہ شکل میں اس سالانہ رپورٹ میں شامل کیا گیا ہے۔
- ٹیکسز، ڈیوٹی، لیویز اور چارجز کی مد میں کوئی قانونی ادائیگیاں نہیں ہیں جو 30 جون 2022 تک بقایا ہیں سوائے ان کے جن کا مالیاتی گوشواروں میں انکشاف کیا گیا ہے۔ بورڈ کی تشکیل کمپنی کے بورڈ آف ڈائریکٹرز کی 30 جون 2021 تک کی تشکیل حسب ذیل ہے:

1- درج ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات ہے: مرد: 6 خواتین: 1

2- متعلقہ زمروں کے تحت ڈائریکٹرز کی تعداد حسب ذیل ہے:

- آزاد ڈائریکٹرز: 2

- غیر ایگزیکٹو ڈائریکٹرز: 3

- ایگزیکٹو ڈائریکٹر: 1

- خاتون ڈائریکٹر: 1

ڈائریکٹرز کی حاضری

سال کے دوران بورڈ کے چار (4) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل تھی:

ڈائریکٹر کا نام	اجلاس میں شرکت کرنے والوں کی تعداد	28 ستمبر 21	29 اکتوبر 21	23 فروری 22	19 اپریل 22
جناب ایم عزیز ایوب	2/4	x	x	✓	✓
جناب ضیاء ذکریا	4/4	✓	✓	✓	✓

منتخب کارپوریٹ سیکٹر پر انکم ٹیکس میں بھی اضافہ کر دیا ہے۔

ان اقدامات کا براہ راست اثر پاکستان اسٹاک ایکسچینج پر بھی پڑا اور کیلنڈر سال 2022 کے آغاز سے اب تک اس میں 8 فیصد سے زیادہ اور رواں مالی سال کے آغاز سے 11 فیصد سے زیادہ کی شدید مندی دیکھی گئی۔

سال کے دوران، مضاربہ نے اپنے تجارتی کاروبار کو دوبارہ شروع کیا اور اس منصوبے سے معقول منافع کا مشاہدہ کیا۔ مستقبل کا آؤٹ لک

مضاربہ جامع اجناس کی تجارت کے کاروبار کے ساتھ ساتھ ثانوی مارکیٹ کے آپریشنز کے ساتھ معاشی کمزوریوں کو مد نظر رکھتے ہوئے آگے بڑھے گا، تاکہ سرٹیفکیٹ ہولڈرز کو پائیدار اور دائمی تقسیم کے ساتھ خدمت کرنے کے لیے معقول منافع حاصل کیا جاسکے۔ شرعی تناظر

اسلامی مالیات اپنی قدر کی تجویز کو شرعی معاہدوں کے اطلاق اور مالیاتی اور غیر مالیاتی لین دین کے عمل سے حاصل کرتا ہے جو مختلف خطرات اور واپسی کے پروفائل فراہم کرتے ہیں۔ تمام تر مشکلات کے باوجود انتظامیہ ان شرعی اصولوں کو برقرار رکھنے کے لیے پرعزم ہے۔ 30 جون 2022 کو ختم ہونے والے سال کے لیے شریعہ ایڈوائزری کی مکمل شریعہ آڈٹ رپورٹ بھی سالانہ رپورٹ کے ساتھ منسلک ہے۔ بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی

30 جون 2021 کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ کے بعد سے پہلی انور مضاربہ کی انتظامی کمیٹی انور مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں ہوئی ہے۔ ڈائریکٹرز ٹریننگ اینڈ اورینٹیشن اکثریت ڈائریکٹرز ڈائریکٹرز ٹریننگ سٹوفکیٹ کی ضروری ضروریات کی تعمیل کرتے ہیں جن میں انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICMAP) اور انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن (IBA) میں تربیت یافتہ چند ہیں۔ سٹوفکیٹ ہولڈرز کا پیٹرن مضاربہ کے سٹوفکیٹ ہولڈنگ کا پیٹرن اور 30 جون 2022 تک اضافی معلومات کو ظاہر کرنے والا ایک بیان اس رپورٹ میں شامل ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

ڈائریکٹرز کو سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان (SECP) کے کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک اور کوڈ آف کارپوریٹ گورننس کی تعمیل کی تصدیق کرتے ہوئے مسرت ہوئی ہے:

- مالیاتی بیانات، جو مضاربہ کے انتظام کے ذریعہ تیار کیے گئے ہیں، اس کی حالت، اس کے کام کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو پیش کرتے ہیں۔
- مضاربہ کے حسابات کی صحیح کتابیں رکھی گئی ہیں۔
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے۔ استعمال شدہ اکاؤنٹنگ تخمینہ معقول اور

30 جون 2022 کو ختم ہونے والے سال کے لیے مضاربہ کمپنی کے ڈائریکٹرز کی تیسویں رپورٹ

النور مضاربہ میجسٹریٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، فرسٹ النور مضاربہ (ایف اے ایم) کی "مدارب/ انتظامی کمپنی"، ہمیں تیسویں سالانہ رپورٹ کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ پیش کرتے ہوئے خوشی ہو رہی ہے۔ 30 جون 2022 کو ختم ہونے والے سال کے لیے ہیں:

ختم ہونے والے سال کے لیے		مالیاتی نتائج
30 جون 2021		30 جون 2022
<u>--- پاکستانی روپے میں رقم ---</u>		
654,354		2,306,122
516,274		(902,655)
(174,625)		121,621
(130,871)		(461,224)
(54,092,126)		(53,226,994)
<u>(53,226,994)</u>		<u>(52,163,130)</u>
		<p>نقصان)/ٹیکسیشن کے بعد منافع دیگر جامع آمدنی کے اجزاء سرپلس/(خسارہ) جمع شدہ نقصانات میں منتقل قانونی ریزرو میں منتقلی غیر منقسم منافع/(نقصان) آگے لایا گیا۔ تقسیم منافع کی تقسیم @0.00% (2021@0.00%) بونس سرٹیفیکیٹس @10% (2021@0.00%) جنرل ریزرو</p>

بورڈ آف ڈائریکٹرز نے سال جون 30، 2022 کے لیے 10 فیصد یعنی 10 سرٹیفیکیٹ ہر 100 سرٹیفیکیٹ بونس کا اعلان کیا ہے

اقتصادی جائزہ اور آپریشنز کا جائزہ

پاکستان کی معیشت نے 30 جون 2022 کو ختم ہونے والے مالی سال میں 5.97 فیصد کی مضبوط جی ڈی پی نمو درج کی ہے۔ تاہم، روس-یوکرین تنازعہ سے پیدا ہونے والی جغرافیائی غیر یقینی صورتحال نے معاشی عدم توازن کو بڑھادیا ہے اور عالمی اجناس کی قیمتوں میں خاطر خواہ اضافہ ہوا ہے۔ جولائی جون 2022 کی مدت کے لیے کرنٹ اکاؤنٹ خسارہ بڑھ کر 17.4 بلین امریکی ڈالر ہو گیا جبکہ اوسط CPI بڑھ کر 12.90% ہو گیا۔ اس کی وجہ سے اسٹیٹ بینک آف پاکستان نے مانیٹری سختی کے حصے کے طور پر پالیسی ریٹ کو 15 فیصد تک بڑھایا جو کہ بڑھتی ہوئی مہنگائی پر قابو پانے کے لیے ستمبر 2021 سے جاری ہے۔ وفاقی حکومت نے مالیاتی خلا کو پر کرنے کے لیے

**ALHAMD SHARIAH ADVISORY SERVICES****(PVT) LIMITED****Annual Shariah Advisor's Report***For the year ended June 2022*

We have reviewed the affairs of First Al Noor Modaraba managed by Al Noor Modaraba Management (Private) for the year ended June 30, 2022, by the requirements of the Circular No.8 of 2012, issued by the Securities and Exchange Commission of Pakistan, regarding Shariah Compliance and Shariah Audit Mechanism for Modarabas.

SHARIAH COMPLIANCE:

The Modaraba has a mechanism to strengthen *Shariah* compliance in letter and spirit and the systems, procedures, and policies adopted by the Modaraba are in line with the *Shariah* principles;

Based on our review, the following were the major activities/developments in respect of *Shariah* that took place during this period:

BANK ACCOUNTS:

Modaraba does not maintain any saving account with conventional banks. However, the Modaraba currently maintains two current accounts with conventional banks. Three current accounts of conventional banks were closed during this period. All other accounts are maintained with Islamic banks or Islamic windows of commercial banks.

FRESH DISBURSEMENTS:

On the asset side, Modaraba has disbursed Diminishing Musharakah Facilities to different clients. We confirm that the financing agreement(s) entered into by the Modaraba are *Shariah* compliant and that the financing agreement(s) have been executed in the formats approved by the *Shariah* Advisor.

INVESTMENTS IN EQUITY SHARES:

Modaraba's entire equity investments were made in approved *Shariah*-compliant scripts provided and updated in compliance with circular 8 of 2012.

DIVIDEND PURIFICATION:

Modaraba has effectively performed the process of dividend purification of equities and transferred charitable amounts into charity.

TAKAFUL:

For risk mitigation, the Modaraba effectively adopted and maintained *Takaful* coverage(s) with *Takaful* companies and did not obtain any coverage(s) from conventional insurance companies.

CONCLUSION:

The Management of First Al-Noor Modaraba has effectively shown its sincerity to comply with *Shariah* Rulings in its true spirit, therefore, we are of the view that the business operations of First Al Noor Modaraba are *Shariah* compliant up to the best of our knowledge.

MUFTI UBAID UR RAHMAN ZUBAIRI

For & on behalf of

Alhamd Shariah Advisory Services Private Limited

29th August, 2022

MUFTI UZAIR BILWANI

For & on behalf of

Address: Flat 503, 8th Floor Ibrahim Residency, C.P & Berar Society, Karachi.☎ +92 322 2671867 | 🌐 www.alhamdshariahadvisory.com | ✉ info@alhamdshariahadvisory.com

**ALHAMD SHARIAH ADVISORY SERVICES****(PVT) LIMITED****سالانہ شریعہ ایڈوائزر رپورٹ**

جون ۲۰۲۲

فرسٹ النور مضاربہ کے پاس، شریعت کی دی گئی ہدایات پر مؤثر طریقہ سے عمل کرنے کا ایک میکانزم موجود ہے، جس کی وجہ سے فرسٹ النور مضاربہ کا نظام، طریقہ کار اور پالیسیاں شریعت کی دی گئی ہدایات کے مطابق ہیں۔ ہم نے فرسٹ النور مضاربہ کا Shariah Compliance اور Shariah Audit Mechanism for Modarabas کے مطابق سال جون ۲۰۲۲ کا شرعی تجزیہ کیا، جس کے نتیجے میں درج ذیل چیزیں سامنے آئیں:

بینک اکاؤنٹس: اس پورے مالی سال میں فرسٹ النور مضاربہ نے کسی بھی کنونینشل بینک کے سیونگ اکاؤنٹ کو استعمال نہیں کیا، اپنی تجارتی ضرورتوں کو پورا کرنے کے لیے فُل فلج یا ونڈو اسلامی بینکوں کے سیونگ اکاؤنٹس استعمال کئے گئے۔ اس وقت مضاربہ کنونینشل بینک کے دو کرنٹ اکاؤنٹس maintain کر رہا ہے۔ ان کے علاوہ کنونینشل بینکوں کے تین کرنٹ اکاؤنٹس اس سال بند کیے گئے۔

فریش ڈسبرسمنٹ: ایسٹ سائڈ (Asset Side) پر فرسٹ النور مضاربہ نے اپنے کلائنٹس کے ساتھ شرکت متناقصہ کے مختلف معاملات انجام دیے، ہم اس بات کی تصدیق کرتے ہیں کہ مضاربہ کی طرف سے عملدرآمد ہونے والے شرکت متناقصہ کے معاملات، شریعت کے مطابق ہیں اور قانونی معاہدے بھی انہی خطوط کے مطابق ہیں جن کی شریعہ ایڈوائزر کی طرف سے منظوری دی گئی ہے۔

ایکویٹی شیئرز میں سرمایہ کاری: مضاربہ کی مکمل ایکویٹی سرمایہ کاری شریعت کے مطابق منظور شدہ اسکرپٹس میں ہی کی گئی تھی، جو ایس ای سی پی کے 2012 کے سرکلر 8 کے مطابق تھی۔

ڈویڈنڈ کی چیرینی: فرسٹ النور مضاربہ نے شریعت کے تقاضوں کو سامنے رکھتے ہوئے Dividend کی جو رقم چیرینی کے لیے لازم کی گئی تھی، وہ خیراتی کاموں کے لیے، چیرینی اکاؤنٹ میں ٹرانسفر کر دی ہے۔

حکافل: فرسٹ النور مضاربہ نے خطرات کو کم کرنے کے لیے حکافل کمپنیز سے COVERAGE حاصل کیا، اس موقع پر کسی بھی کنونینشل انشورنس کمپنی سے کسی قسم کا کوئی COVERAGE حاصل نہیں کیا گیا۔

خلاصہ: فرسٹ النور مضاربہ کی مینجمنٹ شریعہ کی ہدایات پر عمل کرنے میں اپنی تمام تر توجہ کے ساتھ کوشاں ہے۔ ان ساری چیزوں کو مد نظر رکھتے ہوئے، ہم اپنی معلومات کے مطابق، فرسٹ النور مضاربہ کے بزنس کو شریعت کے مطابق سمجھتے ہیں۔ واللہ اعلم بالصواب

**مفتی**

مفتی عزیز بلواری

الحمد شریعہ ایڈوائزر سروسز (پرائیویٹ) لمیٹڈ

مفتی

مفتی عبدالرحمن زبیری

الحمد شریعہ ایڈوائزر سروسز (پرائیویٹ) لمیٹڈ

۲۹، اگست ۲۰۲۲

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THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Board has constituted a functional Audit Committee. The features of the terms of reference of the Committee in accordance with the Code of Corporate Governance are as follows:

- (a) Determination of appropriate measures to safeguard the listed company's assets.
- (b) To monitor the integrity of the financial statements of the company, and any formal announcements relating to the company's financial performance, reviewing significant financial reporting judgments contained in them. In particular to review the half-year and annual financial statements and associated report before submission to the Board focusing on:
 - Any changes in accounting policies and practices
 - Major judgmental and risk areas
 - Significant adjustments resulting from the audit
 - The going concern assumption
 - Compliance with accounting standards
 - Compliance with International Financial Accounting Standards.
 - Compliance with listing regulations and other statutory and regulatory requirements
- (c) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in absence of management, where necessary);
- (d) Review of management letter issued by external auditors and management's response thereto.
- (e) To make recommendations to the Board, for approval in respect of matters relating to: · the appointment or · re-appointment or · removal of the external auditor;
- (f) Ensuring coordination between the internal and external auditors of the company.
- (g) Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the company.
- (h) Consideration of major finding of internal investigation and management's response thereto.
- (i) Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective.
- (j) Review the company's statement of internal control system prior to endorsement by the board of directors.
- (k) Determination of compliance with relevant statutory requirements.
- (l) Monitoring compliance with the best practices of corporate governance and identification of any significant violations thereof and
- (m) Consideration of any other issue or matter as may be assigned by the board of directors.

THE TERMS OF REFERENCE OF HUMAN RESOURCE & REMUNERATION COMMITTEE (HR&R)

The Board adopted the responsibilities contained in clause (XXV) of the Code of Corporate Governance 2012 from (i) to (iv) as the Terms of Reference (TOR) of the HR&R Committee. The Committee shall be responsible for:

- (i) Recommending human resource management policies to the board;
- (ii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO.
- (iii) Consideration and approval on recommendations for CEO on such matters for key management positions who report directly to CEO



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2019

FIRST AL-NOOR MODARABA

YEAR ENDED JUNE 30, 2022

The company has complied with the requirements of the Regulations, in the following manner:

1. The total number of directors are 7 (seven) as per the following:

- a. Male 6
- b. Female 1

2. The composition of board is as follows :

Category	Names
Independent Directors	1) Mr. Abdul Rahim Suriya 2) Mr. Tausif Ilyas 3) Dr. Irum Saba
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. A. Aziz Ayoob 2) Mr. Noor Muhammad Zakaria 3) Mr. Zia Zakaria
Female Director	1) Dr. Irum Saba

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the 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 company. The board has ensured that complete record of particulars of significant policies along with their dates of approval or updating is maintained by the company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board 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 of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Majority of the Directors of the Company have completed / are exempted from the requirement of Directors' Training program;
10. The board has approved appointment of Chief financial officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
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

S.No.	Name	Designation
1.	Mr. Abdul Rahim Suriya	Chairman
2.	Mr. Tausif Ilyas	Member
3.	Mr. Zia Zakaria	Member

b) HR and Remuneration Committee

S.No.	Name	Designation
1.	Mr. Tausif Ilyas	Chairman
2.	Mr. Abdul Aziz Ayoob	Member
3.	Mr. Zainuddin Aziz	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 of the committee were as per following:
a) Audit Committee - Quarterly;
b) HR and Remuneration Committee - Yearly;
15. The board has set up an effective internal audit function;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP 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 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 other requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
a. The company is in the process of forming Risk Management Committee and it is ensured that same will be formed by the end of next financial period; and
b. The company is in the process of preparation of the term of reference of risk management committee and it is ensured that same will be formed by the end of next financial period.

for and on behalf of the Board

Sd/-
Zainuddin Aziz
Chief Executive

Dated: September 26, 2022



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE CERTIFICATE HOLDERS OF FIRST AL-NOOR 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 Al-Noor Modaraba Management (Private) Limited, the Modaraba Management Company of First AL Noor Modaraba (the Modaraba) for the year ended June 30, 2022 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 Modaraba Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Modaraba'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 Modaraba's personnel and review of various documents prepared by the Modaraba Management Company to comply with the Regulations.

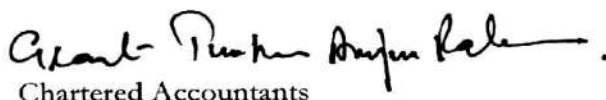
As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control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

The Regulations require the Modaraba 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 Modaraba Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Modaraba for the year ended June 30, 2022.

Further, we highlight below instances of non-compliance with the requirement of the Regulations as reflected in the paragraph 19 of the Statement of Compliance:

S. No	Paragraph reference	Description
I.	19(a)	Risk Management Committee has not been formed
II.	19(b)	The term of reference of Risk Management Committee has not been formed.


Chartered Accountants

Karachi

Date: September 26, 2022

UDIN: CR202210154X6wArRCHq



AUDITORS' REPORT TO THE CERTIFICATE HOLDERS

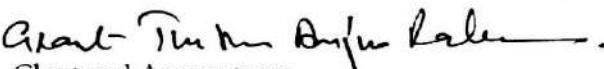
We have audited the annexed balance sheet of **First Al-Noor Modaraba** (the Modaraba) as at June 30, 2022 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof (hereinafter referred 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 purpose of our audit.

These financial statements are the Modaraba Company's [Al-Noor Modaraba Management (Private) 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 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 account have been kept by the Modaraba Company in respect of the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI OF 1980), and Modaraba Companies and Modaraba Rules, 1981;
- b) in our opinion
 - i. the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity 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 account and are further in agreement with accounting policies consistently applied except for the changes in accounting policies as disclosed in note 4.4 to the financial statements with which we concur;
 - ii. the expenditure incurred during the year was for the purpose of the Modaraba's business;
 - 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 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 confirm with the approved accounting standards as applicable in Pakistan and give the information required by the Modaraba companies and the Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and the 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 June 30, 2022 and of the profit, other comprehensive loss, its cash flows and changes in equity for the year then ended; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Date: September 26, 2022
Karachi
UDIN: AR202210154aizr3q5A2


Chartered Accountants
Engagement Partner: Muhammad Khalid Aziz



STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2022

		June 30, 2022	June 30, 2021
Note			
		----- Rupees -----	
ASSETS			
Current assets			
Cash and bank balances	6	95,036,459	59,001,144
Short term investments	7	52,718,559	29,299,313
Musawamah facility	8	-	-
Profit receivable	9	926,618	779,923
Ijarah rental receivable	10	-	77,971
Receivable from diminishing musharaka		1,637,205	2,182,248
Advances, prepayments and other receivables	11	3,108,299	24,346,014
Current portion of investment in sukuk certificates	14	-	357,128
Current portion of diminishing musharaka financing	15	50,179,344	46,711,912
Taxation	12	2,704,327	5,129,859
		206,310,811	167,885,512
Non - current assets			
Long term deposits	13	3,840,211	3,839,989
Long term investments	14	18,354,934	20,405,144
Diminishing musharakah financing	15	35,846,176	75,472,709
Deferred tax asset	16	3,130,176	-
Ijarah assets	17	-	1,005,705
Fixed assets in own use	18	2,171,222	2,646,392
Intangible assets for own use	19	-	10,502
		63,342,719	103,380,441
TOTAL ASSETS		269,653,530	271,265,953
EQUITY AND LIABILITIES			
CERTIFICATE HOLDERS' EQUITY			
Authorised certificate capital			
40,000,000 (2021: 40,000,000) certificates of Rs. 10 each	20.1	400,000,000	400,000,000
Issued, subscribed, and paid - up certificate capital	20.2	210,000,000	210,000,000
Capital reserves		98,177,730	97,716,506
Revenue reserves		(52,163,130)	(53,226,994)
		256,014,600	254,489,512
Deficit on revaluation of investments	22	(4,052,470)	(2,316,639)
Non - current liabilities			
Deferred liability - staff gratuity	23	9,173,031	7,506,858
Security deposits	24	-	-
		9,173,031	7,506,858
Current liabilities			
Current maturity of security deposits	24	-	557,400
Creditors, accrued and other liabilities	25	2,931,960	5,499,599
Charity payable	26	78,421	21,235
Provision for custom duty & surcharge	27	4,398,842	4,398,842
Unclaimed profit distributions		1,109,146	1,109,146
		8,518,369	11,586,222
TOTAL LIABILITIES		17,691,400	19,093,080
TOTAL LIABILITIES AND CERTIFICATE HOLDERS' EQUITY		269,653,530	271,265,953
Contingencies and commitments	28		

The annexed notes from 1 to 49 form an integral part of these financial statements.

For Al-Noor Modaraba Management (Private) Limited
(Management Company)

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2022

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
Income from trading operations	29	13,301,119	-
Income on diminishing musharakah	30	16,515,768	11,971,476
Income from ijarah rentals- net	31	860,352	1,615,923
Income from investments	32	6,972,906	13,202,476
		33,989,998	26,789,875
Administrative and operating expenses	33	(26,916,206)	(28,766,791)
Other income	34	1,050,577	3,937,631
		11,784,516	1,960,715
Financial and other charges	35	(32,714)	(16,215)
Unrealised loss on re-measurement of investments at fair value through profit or loss		(9,148,458)	(2,743,857)
Share of profit from associate	14.1	847,579	2,485,340
Management company's remuneration	36	-	-
Workers' welfare fund	37	(35,000)	(33,720)
Profit before taxation		3,415,923	1,652,263
Taxation	38	(1,109,801)	(997,909)
Profit for the year		2,306,122	654,354
Earning per certificate - basic and diluted	39	0.11	0.03

The annexed notes from 1 to 49 form an integral part of these financial statements.

For Al-Noor Modaraba Management (Private) Limited
(Management Company)

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2022

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
Profit for the year		2,306,122	654,354
Components of other comprehensive (loss)/income reflected in equity - net of tax			
Items that will not be reclassified subsequently to profit and loss account			
Remeasurement of net defined benefit liability	23.5	(1,250,403)	182,478
Share of other comprehensive income of associate	14.1	638	333,796
Impact of deferred tax		347,110	-
		<u>(902,655)</u>	<u>516,274</u>
Total comprehensive income for the year transferred to equity- net of tax		1,403,467	1,170,628
Components of other comprehensive (loss) / income reflected below equity net of tax			
Equity investments at FVOCI - change in fair value	22	(1,792,208)	2,879,793
Impact of deferred tax		177,998	-
		<u>(1,614,210)</u>	<u>2,879,793</u>
Total comprehensive (loss)/income for the year		(210,743)	4,050,421

The annexed notes from 1 to 49 form an integral part of these financial statements.

For Al-Noor Modaraba Management (Private) Limited
(Management Company)

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2022

	Issued, subscribed, and paid-up certificate capital	Capital reserves		Revenue reserves		Total reseves	Total	
		Statutory reserve (refer note 22)	General reserve	Accumulated losses	Subtotal			
Note	Rupees							
Balance as at July 01, 2020	210,000,000	97,585,635	250,000	(54,342,126)	(54,092,126)	43,493,509	253,493,509	
Profit for the year	-	-	-	654,354	654,354	654,354	654,354	
Other comprehensive income for the year	-	-	-	516,274	516,274	516,274	516,274	
Total comprehensive income for the year	-	-	-	1,170,628	1,170,628	1,170,628	1,170,628	
Surplus transferred to accumulated losses	-	-	-	(174,625)	(174,625)	(174,625)	(174,625)	
Transfer to statutory reserve	-	130,871	-	(130,871)	(130,871)	-	-	
Balance as at June 30, 2021	210,000,000	97,716,506	250,000	(53,476,994)	(53,226,994)	44,489,512	254,489,512	
Balance as at July 1, 2021	210,000,000	97,716,506	250,000	(53,476,994)	(53,226,994)	44,489,512	254,489,512	
Profit for the year	-	-	-	2,306,122	2,306,122	2,306,122	2,306,122	
Other comprehensive loss for the year	-	-	-	(902,655)	(902,655)	(902,655)	(902,655)	
Total comprehensive income for the year	-	-	-	1,403,467	1,403,467	1,403,467	1,403,467	
Surplus transferred to accumulated losses	22	-	-	121,621	121,621	121,621	121,621	
Transfer to statutory reserve	21	-	461,224	-	(461,224)	-	-	
Balance as at June 30, 2022		210,000,000	98,177,730	250,000	(52,413,130)	(52,163,130)	46,014,600	256,014,600

The annexed notes from 1 to 49 form an integral part of these financial statements.

For Al-Noor Modaraba Management (Private) Limited
(Management Company)

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

	Note	June 30, 2022	June 30, 2021
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,415,923	1,652,263
Adjustments for:			
Gain on disposal of property and equipment		(13,518)	(809,999)
Depreciation on ijarah assets		510,423	1,946,740
Depreciation on fixed assets		1,187,687	1,182,655
Ammortization on intangibles		10,502	18,000
Profit on bank deposits		(711,326)	(2,976,604)
Unrealized gain on re-measurement of mutual funds		-	(10,701)
Unrealized loss on re-measurement of equity securities		9,148,458	2,754,558
Share of profit from associate		(847,579)	(2,485,340)
Financial and other charges		32,714	16,215
Provision for gratuity		1,448,770	1,338,499
Income tax written off		-	444,183
Sales tax written off		-	1,175,925
Operating profit before working capital changes		10,766,131	2,594,131
		14,182,054	4,246,394
Changes in assets			
Ijarah rental receivable		77,971	524,463
Diminishing musharakah financing- net		36,159,101	(42,273,959)
Proceeds from sale of ijarah assets		-	3,229,436
Profit receivable		(56,901)	(236,449)
Dividend receivable		(4,000)	314,649
Receivable from diminishing mushuarika		545,043	-
Investments- net		(31,104,357)	102,746,434
Advances, deposits, prepayments and other receivables		21,241,715	(18,324,781)
		26,858,572	45,979,793
		41,040,626	50,226,187
Changes in liabilities			
Creditors, accrued and other liabilities		(2,567,639)	497,908
Security deposits		(62,118)	(2,597,900)
Charity payable		57,186	(31,352)
		(2,572,571)	(2,131,344)
Cash flow from operating activities		38,468,055	48,094,843
Long term deposits		(222)	-
Income tax paid		(1,289,337)	(793,274)
Financial charges paid		(32,714)	(16,215)
Gratuity paid		(1,033,000)	(1,115,000)
Net cash generated from operating activities		36,112,782	46,170,354
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets in own use		(724,000)	(231,016)
Proceeds from sale of fixed assets in own use		25,001	809,999
Profit received on bank deposits		621,532	3,076,959
Net cash generated from investing activities		(77,647)	3,655,942
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase in cash and cash equivalents		36,035,315	49,826,296
Cash and cash equivalents at the beginning of the year		59,001,144	9,174,848
Cash and cash equivalents at the end of the year	6	95,036,459	59,001,144

The annexed notes from 1 to 49 form an integral part of these financial statements.

For Al-Noor Modaraba Management (Private) Limited
(Management Company)

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

The First Al-Noor Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by Al-Noor Modaraba Management (Private) Limited, a company incorporated in Pakistan. The address of its registered office is 96-A, Sindhi Muslim Housing Society. The Modaraba was floated on October 19, 1992 and commenced its business on November 02, 1992. The Modaraba is listed on the Pakistan Stock Exchange (PSX).

The Modaraba is a perpetual, multi purpose and multi dimensional Modaraba and is primarily engaged in providing Ijarah financing, Musharakah, Diminishing Musharakah, Musawamah, equity investment and other Shari'ah compliant trading activities.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards as applicable in Pakistan comprises of:

- International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) as are notified under Companies Act, 2017;

Islamic Financial Standards (IFAS) issued by the Institute of Chartered Accountant of Pakistan as are notified under Companies Act, 2017;

- Provisions of and directions issued under the Companies Act 2017;
- The requirements of Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations 2021 for Modarabas (hereinafter referred to as the relevant laws).

Where the provisions of and directives issued under the Companies Act 2017, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules 1981 and Prudential Regulations for Modarabas differ with the requirements of IFRS and IFAS, the provisions of and directives issued under the Companies Act 2017, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules 1981 and Prudential Regulations for Modarabas have been followed.

The SECP has issued directive (vide SRO 431 (I) / 2007 dated May 22, 2007) that Islamic Financial Accounting Standard shall be followed in preparation of the financial statements by Companies and Modarabas while accounting for Lease Financing transactions as defined by the said standard. The Modaraba has adopted the said standard.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the measurement at fair value of certain financial instruments in accordance with the requirements of IFRS 9 'Financial Instrument', wherever applicable.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistani Rupee which is the functional and presentation currency of the Modaraba. These figures have been rounded off to the nearest Pakistani Rupee.

2.4 Significant event or transactions

There are no significant events or transactions during the year.



3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period effected. In the process of applying the Modaraba's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

Estimate of residual values, useful lives and depreciation methods of fixed assets in own use and ijarah assets (note 5.6 and 5.7 respectively);

Estimate of residual values, useful lives and amortization methods of intangible assets for own use (note 5.8);

Impairment of financial assets (note 5.2.3);

Impairment of non financial assets (note no 5.9);

Taxation (note no 5.10);

Provisions and contingent assets and liabilities (note no 5.12); and

Staff retirement benefits (note no 5.14).

4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

4.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

The Modaraba has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current year.

Standard or Interpretation	Effective date (Annual periods beginning on or after)
IBOR Reform and its Effects on Financial Reporting—Phase 2	January 1, 2021

Adoption of the above standards have no significant effect on the amounts for the year ended June 30, 2022 except for those mentioned in change in accounting policy note.

4.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Modaraba

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.



Standard or Interpretation	Effective date (Annual periods beginning on or after)
Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (Amendment to IFRS 9)	January 1, 2022
Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)	January 1, 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	January 1, 2022
Subsidiary as a First-time Adopter (Amendment to IFRS 1)	January 1, 2022
Taxation in Fair Value Measurements (Amendment to IAS 41)	January 1, 2022
Updating a Reference to the Conceptual Framework (Amendments to IFRS 3)	January 1, 2022
Classification of Liabilities as Current or Non-current (Amendment to IAS-1)	January 1, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	January 1, 2023
Definition of Accounting Estimates (Amendments to IAS 8)	January 1, 2023
Disclosure Initiative—Accounting Policies	January 1, 2023

The Modaraba is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Modaraba.

4.3 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Following new standards have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation	Effective date (Annual periods beginning on or after)
IFRS 17 'Insurance Contracts'	January 1, 2023
Amendments to IFRS 17 Insurance Contracts	January 1, 2023
IFRS 1 'First-time Adoption of International Financial Reporting Standards'	January 1, 2009



4.4 Change in accounting policy

Effective from July 01, 2021, the Modaraba has adopted the requirements of IFRS 9, 'Financial instruments' with respect to Expected Credit Loss (ECL) model. The ECL has an impact on the assets of Modaraba which are exposed to credit risk. Previously, the provision for ijarah financing, diminishing musharakah was determined in accordance with the requirements of the Prudential Regulations (now Modaraba Regulations, 2021) issued by the SECP. Upon adoption of ECL model under IFRS 9, the Modaraba while recognizing provision for impaired assets has considered the amount which is higher of (on a customer basis):

- the provision required under the Modaraba Regulations, 2021; and
- the provision required under IFRS 9 using the expected credit loss (ECL) model.

The Modaraba has adopted the requirements of ECL model as given in IFRS 9 using the modified respective approach. However, currently there is no impact of adoption ECL model on the Modaraba.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Investment in associates

The Modaraba considers its associate to be such in which the Modaraba have ownership of not less than twenty percent of the voting power and / or has significant influence through common directorship, but not control.

The Modaraba accounts for its investment in associate using the equity method. Under this method investment in initially recognized at cost, being the fair value of consideration given includes acquisition charges associated with such investments. Subsequently the investors' share in profit / loss of the Investee is recognized in profit and loss. Distributions received from the investee reduce the carrying amount of the investment. Adjustment to the carrying amount will also be made for changes in the investor's proportionate interest in the investee arising from changes in the investee's over comprehensive income.

Where Modaraba's share of loss of an associates equal or exceeds its interest in the associates, the Modaraba discontinue to recognize its shares of further losses except to the extent that Modaraba has incurred legal or constructive obligation or made payment on behalf of the associates. If the associates subsequently reports profits, the Modaraba resumes recognizing its share of those profit only after its share of the profit equals the share of losses not recognized.

5.2 Financial Instruments- Initial recognition and subsequent measurement

5.2.1 Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost of cost as the case may be.

5.2.1.1 Classification of financial assets

IFRS 9 has the following categories for classification of financial assets:

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVOCI), with recycling of gains or losses to profit and loss account on derecognition.
- Equity instruments at FVOCI, with no recycling of gains or losses to profit and loss account on derecognition.
- Financial assets at fair value through profit or loss (FVTPL).

The classification is based on true criteria which is the entity's business model for managing the assets; and b) whether the instruments contractual cashflows represent 'solely payments of principal and profit' on the principal amount outstanding.



5.2.1.2 Classification of financial liabilities

The Modaraba classified its financial liabilities in the following categories:

- at fair value through profit or loss (FVTPL); or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Modaraba has opted to measure them at FVTPL.

5.2.2 Subsequent measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income.

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the profit and loss account. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit and loss account in the period in which they arise.

5.2.3 Impairment of financial assets

The Modaraba assesses on a forward-looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The Modaraba recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

The Modaraba applies the IFRS 9 general approach to measure Expected Credit Losses (ECL) for ijarah finance and diminishing musharakah. A lifetime ECL is recorded on ijarah finance and diminishing musharakah in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and which are credit impaired as on the reporting date. A 12 months ECL is recorded for ijarah finance and diminishing musharakah which do not meet the criteria for SICR or "credit impaired" as at the reporting date. To assess whether there is a significant increase in credit risk the Modaraba compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Modaraba also considers reasonable and supportive forward-looking information in determination of ECL. The allowance is increased by provisions charged to profit and loss account and other comprehensive income and is decreased by charge-offs, net of recoveries.

In evaluating the adequacy of ECL, the management considers various factors, including the nature and characteristics of the obligor, current economic conditions, credit concentrations or deterioration in collateral, historical loss experience and delinquencies.

The Modaraba Regulations, 2021 specifies a criteria for classification and provisioning of impaired assets. The Modaraba while recognising provision for impaired assets has considered the amount which is higher of (on a customer basis):

- the provision required under the Modaraba Regulations, 2021; and
- the provision required under IFRS 9 using the Expected Credit Loss (ECL) model.

5.2.4 Derecognition

5.2.4.1 Financial assets

The Modaraba derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risk and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received or receivables is recognized as gain/ (loss). In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit and loss account. In contrast, on derecognition of an investment in equity instrument which the Modaraba has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit and loss account, but transferred to statement of changes in equity.

5.2.4.2 Financial liabilities

The Modaraba derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non- cash assets transferred or liabilities assumed, is recognized in the profit and loss account.

5.2.5 Offsetting of financial assets and financial liabilities

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 amounts and the Modaraba intends to either settle on a net basis, or to recognize the asset and settle the liability simultaneously.

5.3 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+2' purchases and sales are recognised at the trade date. Trade date is the date on which the Modaraba commits to purchase or sell the assets.

5.4 Receivable from terminated / matured contracts

These are stated net of impairment loss. Impairment loss is recognised for doubtful receivables on the basis of Prudential Regulations for Modarabas issued by the SECP or based on the judgment of management, whichever is higher. Bad debts are written off when identified.

5.5 Diminishing musharakah, Ijarah rentals and Musawamah finance

These are stated net of provision and suspense income. Provision is recognized in accordance with the Modaraba Regulations, 2021 for Modarabas. Bad debts are written-off when identified.

5.6 Fixed assets in own use

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any except free hold land are stated at cost less any accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Modaraba and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account as and when incurred.

Depreciation on all fixed assets is charged to income applying the straight-line method over the useful life of the asset as disclosed in note 18 to the financial statements and after taking into account residual value, if significant. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date. Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit and loss account, in the period in which they arise.

Repairs and maintenance are charged to income as and when incurred.

5.7 Ijarah assets

Assets leased out under Ijarah arrangements are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Modaraba and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account as and when incurred. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation is charged to income applying the straight line method whereby the cost of an asset less residual value is written off over the standard hours of usage, which is considered to be the estimated useful life of the asset. Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit and loss account, in the period in which they arise.

5.8 Intangible assets

Intangible assets having a finite useful life are stated at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only where it is probable that the future economic benefits associated with the asset will flow to the Modaraba and the cost of item can be measured reliably. Amortization is charged to income using the straight line method in accordance with the rates specified in note 19 to these financial statements after taking into account residual value, if any. The residual values, useful lives and amortization method are reviewed adjusted, as appropriate, at each balance sheet date. Amortization is charged from the month the asset is available for use while in the case of assets disposed of, it is charged till the month preceding the month of disposal.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. These assets are not amortized as they are expected to have an indefinite life and are marketable.

Gain and loss on disposal of intangible assets, if any, are taken to the profit and loss account.

5.9 Impairment of non financial assets

The Modaraba assesses at each balance sheet date whether there is any indication that non financial assets excluding stock in trade 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 amounts. Where the carrying value exceeds the recoverable amount, assets are written down to the recoverable amount and the difference is charged to the profit and loss account. The recoverable amount is the higher of an assets' fair value less cost to sale and value in use.

Where impairment loss for asset subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of initial cost of the asset. Reversal of impairment loss is recognised as loss.



5.10 Taxation

5.10.1 Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credit and rebates, if any. Income for the purpose of computing current taxation is determined under the provisions of tax laws.

5.10.2 Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from difference between the carrying amount of the assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the profit and loss account, except where deferred tax arises on the items credited or charged to equity in which case it is included in equity or when they relate to items recognised in other comprehensive income in which case it is recognised in the other comprehensive income.

5.11 Creditors, accrued and other liabilities

These are carried at amortized cost, which is the fair value of the consideration to be paid in the future for goods and services.

5.12 Provisions and contingent assets and liabilities

Provisions are recognised 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 amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets are not recognized and are disclosed unless an inflow of economic benefits is virtually certain. Contingent liabilities are not recognized and are disclosed unless the probability of an outflow of resources embodying economic benefits are removed.

5.13 Commitments

Commitments are disclosed in the financial statements at committed amounts.

5.14 Staff retirement benefits

Unfunded gratuity scheme

The Company operates an unapproved gratuity scheme for its employees completing the eligibility period of service as defined under the plan. The scheme provides for a graduated scale of benefits dependent on the length of service of an employee on terminal date, subject to the completion of minimum qualifying period of service.

Provisions are made to cover the obligations under the scheme on the basis of actuarial valuation carried out annually by an external expert, using the 'Projected Unit Credit Method'. All re-measurement gains and losses are recognized in statement of other comprehensive income as these occur. The amount recognized in the unconsolidated statement of financial position represents the present value of defined benefit obligations. The past service cost, current service cost and interest cost are recognized in the unconsolidated statement of profit or loss when they incurred.

5.15 Stock in trade

Stock of raw material, work in process and finished goods are measured at at the lower of cost and net realizable value. Cost is determined on first in first out basis. Cost of raw materials and trading stock comprises the invoice values and other charges paid thereon. Cost of work in process and finished goods include prime cost and appropriate portion of manufacturing overheads. Items in transit are stated at invoice value plus other incidental charges paid thereon up to the balance sheet date.



Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale. If the net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

The Modaraba reviews the net realizable value of items of stock in trade to assess any possible impairment on annual basis. Net realizable value is estimated with reference to the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale. Any change in the estimates in the future might affect the carrying amount of respective stock in trade with corresponding effects on the provision for impairment, if any.

5.16 Revenue recognition

5.16.1 Trading operations

Sales from trading operations is recognized when the Modaraba satisfies performance obligations by transferring goods to customer. Goods are transferred when the customer obtains their control, i.e. on dispatch of goods to customers. Sales is measured at fair value of the consideration received or receivable. Revenue from trading operation is recorded net of discount and taxes.

5.16.2 Ijarah

Ijarah rental is recognised on an accrual basis, as and when rentals become due on a systematic basis over the lease and Ijarah period.

Documentation charges, front end fee and other Ijarah income are taken to the profit and loss account when these are realised.

Gain / losses on termination on Ijarah contracts are recognised as income as the difference between the proceeds realised from the customer on sale of Ijarah assets and the net book value at which such assets are carried at the time of termination.

Income in respect of non-performing Ijarah finance is held in suspense account, where necessary, in accordance with the requirements of Prudential Regulations for Modarabas issued by the SECP.

5.16.3 Musharakah Finance

Profit on musharakah finance is recognised on the basis of pre-agreed profit / loss sharing ratio when actual gain / loss on transaction is computed upon termination / completion of transaction.

5.16.4 Musawamah Finance

Profit on musawamah finance is recognized on an accrual basis, whereas unrealized musawamah income is excluded from profit.

5.16.5 Dividend Income

Dividend income is recognised when the Modaraba's right to receive the dividend is established.

5.16.6 Gain and loss on sale of investment

Gain and losses on sale of investments are accounted for when the commitment (trade debt) for sale of security is made.

5.16.7 Return on deposit with bank

Return on deposit with bank is recognized on an accrual basis.

5.16.8 Income from Shariah non-compliant revenue

Income from Shariah non-compliant revenue is not recognised in the profit and loss account and is classified as charity payable.



5.17 Segment reporting

As per IFRS 8, 'Operating Segments', segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer of the Management Company has been identified as the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

The Chief Executive Officer is responsible for the Modaraba's entire product portfolio and considers the business to have a single operating segment. The Modaraba's asset allocation decisions are based on a single integrated investment strategy and the Modaraba's performance is evaluated on an overall basis.

Based on internal management reporting structure, services provided and products produced and sold, the Modaraba is organised into the following four operating segments:

- Trading - import and distribution of rice;
- Financing -Musharakah, Diminishing Musharakah, Musawamah;
- Investments- realized and unrealized gain on investments and dividend income; and
- Ijarah- Ijarah financing.

5.18 Earnings / (loss) per certificate

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

5.19 Proposed profit distribution to certificate holders and transfers between reserves

Dividend declared and transfers between reserves made subsequent to the reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividend are declared/ transfers are made.

5.20 Cash and cash equivalents

Cash and cash equivalent are carried in the balance sheet at cost. For the purpose of the cash flow statements, cash and cash equivalent comprise of cash in hand, balances with banks in current accounts and in profit and loss account and term deposit receipt with maturity upto 90 days.

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
6 CASH AND BANK BALANCES			
With banks in current accounts			
- Islamic Banks /Islamic Window operations		3,287,011	2,893,977
- Conventional Banks		1,473,624	828,997
		4,760,635	3,722,974
With banks in PLS accounts			
- Islamic Banks /Islamic Window operations	6.1	275,824	278,170
With banks in term deposit accounts			
Term deposit receipts (TDRs)	6.2	90,000,000	55,000,000
		95,036,459	59,001,144
6.1	These saving accounts carry profit at rates ranging from 3.25% to 6.90 % (June 30, 2021: 4.25% to 6.74 %) per annum.		
6.2	These represents TDRs carrying profit rates ranging from 11.25% to 14.90% (June 30, 2021: 6.00% to 6.75%) and having maturities upto 3 months.		



	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
7 SHORT TERM INVESTMENTS			
At fair value through profit or loss			
Shariah compliant			
Listed equity securities	7.1	22,859,176	29,049,505
Listed Mutual funds	7.2	27,415,258	126,721
Non-Shariah compliant			
Listed equity securities	7.3	<u>2,444,125</u>	<u>123,087</u>
		<u>52,718,559</u>	<u>29,299,313</u>

	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	--- Number of Shares ---		----- Rupees -----	
7.1 Shariah Compliant listed equity securities -				
'at fair value through profit or loss'				
Face value of Rs.10 /-each				
Chemicals				
Engro Corporation Limited	3,435	-	883,104	-
Engro Fertilizer Limited	-	2,500	-	175,657
Fatima Fertilizer Company Limited	-	35,000	-	1,006,250
Descon Oxychem Limited	7,500	-	117,750	-
			1,000,854	1,181,907
Oil & Gas Producers				
Pakistan State Oil	10,000	18,000	1,718,400	4,036,500
Pakistan Oilfield Limited	-	1,000	-	393,860.00
Pakistan Petroleum Limited	-	5,500	-	477,565
Oil And Gas Development Company Limited	71,000	22,500	5,585,377	2,138,182
			7,303,777	7,046,107
Gas Water & Multi utilities				
Sui Northern Gas Pipeline Limited	29,500	107,000	1,009,195	5,198,675
Automobile and Parts				
Sazgar Engineering Works Limited	13,520	10,000	839,863	1,684,366
Balance carried forward			10,153,689	15,111,056



	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	--- Number of Shares ---		----- Rupees -----	
<i>Balance brought forward</i>			10,153,689	15,111,056
Construction and Materials				
Fauji Cement Company Limited	12,500	-	177,125	-
D.G. Khan Cement Limited	17,000	11,466	1,062,500	1,352,071
Lucky Cement Limited	3,000	-	1,377,120	-
Maple Leaf Cement Limited	7,000	1,199	191,450	56,329
Dewan Cement Limited	-	52,000	-	585,520
Power Cement Company Limited (Right share)	52,500	22,500	279,300	216,226
Power Cement Company Limited (Preference share)	7,130	7,130	54,188	83,064
Gharibwal Cement Limited	20,000	41,000	390,100	1,597,770
			3,531,783	3,890,980
Textiles				
Interloop Limited	-	5,000	-	350,149
Nishat Mills Limited	9,000	-	665,190	-
			665,190	350,149
Power Generation & Distribution				
K-Electric	588,500	150,000	1,789,039	626,999
Pharmaceuticals				
The Searle Company Limited	12,119	9,000	1,321,573	2,183,939
Glaxo Smithkline Pakistan Limited	4,700	6,700	587,171	1,109,288
			1,908,744	3,293,227
Transport				
Pakistan National Shipping Corporation	-	1,000	-	72,700
Cable and Electrical goods				
Pak elektron limited	113,500	92,500	1,803,516	3,243,050
Waves Singer Pakistan Limited	51,000	-	649,230	-
			2,452,746	3,243,050
Food & Personal Care Products				
National Foods Limited	6,250	8,500	904,875	1,946,670
Banks				
Bank Islamic Pakistan Limited	-	44,500	-	500,179
Meezan Bank Limited	2,500	-	282,450	-
			282,450	500,179
Technology and communication				
Pakistan Telecom Communication Limited	75,000	-	522,001	-
Engineering				
International Steel Limited	8,500	-	504,559	-
Mughal Steel Limited	2,500	-	144,100	-
			648,659	-
Miscellaneous				
Synthetic Products Ent. Limited	-	337	-	14,496
			22,859,176	29,049,505



	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	--- Number of Shares ---		----- Rupees -----	
7.2 Shariah compliant Listed Mutual Funds - 'at fair value through profit or loss'				
Meezan Islamic Fund - Growth Units	-	2,030	-	126,721
Meezan Rozana Amdani Fund	205,789	-	10,289,450	-
Atlas Islamic Money market Fund	20,077	-	7,038,607	-
AlHamra Daily Dividend Fund	100,872	-	10,087,201	-
			27,415,258	126,721
7.3 Non-Shariah compliant Listed equity securities - 'at fair value through profit or loss' Face value of Rs.10 /-each				
Power Generation & Distribution				
The Hub Power Company Limited	35,000	-	2,385,950	-
Oil & Gas Producers				
Hascol Petroleum Limited	13,782	13,782	58,175	123,087
			2,444,125	123,087
			June 30, 2022	June 30, 2021
		Note	----- Rupees -----	
8 MUSAWAMAH FACILITY Secured				
Musawamah facility - considered doubtful			25,000,000	25,000,000
Less: provision against potential losses			(25,000,000)	(25,000,000)
		8.1 & 8.2	-	-
8.1 Musawamah facility (Classified portfolio)	June 30, 2022		June 30, 2021	
	Balance outstanding	Provision held	Balance outstanding	Provision held
	----- (Rupees) -----			
Loss	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)
8.2	This represents musawamah principal amount overdue by more than one year carried profit rate of 10% (June 30, 2021: 10%) per annum secured against hypothecation of current assets, demand promissory notes, personal guarantee of directors and pledge of stocks(raw cotton). M/s Quetta Textile Mills Limited has defaulted in payment at its maturity therefore the Modaraba has filed a suit for recovery of principal and profit in Honorable Banking Court No.II amounting to Rs. 25.79 million.			
	Further, Modaraba has also filed for registration of criminal complaint against M/s Quetta Textile			
	M/s Quetta Textile Mills Limited has filed a suit against Modaraba for the recovery of Rs. 76,898,349 along with damages, rendition of accounts, reconciliation of documents, cancellation of documents and other reliefs under section 9 of the Financial Institutions (Recovery of Finances) Ordinance 2001.			
	During the year Quetta Textiles Mills Limited approached the Modaraba for out of court settlement. In June 2022 the settlement agreement had been agreed and was submitted to honorable banking court and the respective order dated August 16, 2022 has been passed by the court. Effectively the agreed repayment has been executed and will be received subsequently by the Modaraba.			



	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
9 PROFIT RECEIVABLE			
Profit on Sukuk Certificates		233,626	176,725
Term deposit receipt profit		568,399	568,399
PLS bank account		124,593	34,799
		926,618	779,923

**10 IJARAH RENTAL RECEIVABLE
Secured**

Ijarah rentals receivable - considered good		-	77,971
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10.1 Commitment rentals receivables on ijarah contracts

	2022			
	Total	Not later than one year	later than one year but not Later than five years	Later than five years
	----- (Rupees) -----			
June 30, 2022				
Vehicles	-	-	-	-
June 30, 2021				
Vehicles	592,802	592,802	-	-

This represents the rentals receivable by the Modaraba in future periods in respect of Ijarah assets given under long-term arrangements.

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
11 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Advances - considered good			
- Suppliers		1,402,800	20,434,499
- Employees	11.1	388,000	126,225
Prepayments		668,304	2,294,804
Others	11.2	-	18,062
Less: Provision during the year		-	-
		-	18,062
Dividend receivable		21,676	17,676
Sales tax receivable	11.3	627,519	1,454,748
		3,108,299	24,346,014

11.1 The maximum aggregate amount at any time during the year is Rs. 388,000 (June 2021: Rs. 550,000).



		June 30, 2022	June 30, 2021
	Note	----- Rupees -----	
11.2 Reconciliation of provisions for other receivables			
Opening balance		-	127,761
Write off during the year		-	(127,761)
Closing balance		-	-
11.3	This include an amount of Rs. 0.63 million (June 2021: Rs. 0.63 million) on account of sales tax paid on management remuneration to the management company for onward submission to Sindh Revenue Board (SRB). However, the amount is not yet deposited into SRB.		
	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
12 TAXATION			
Income tax refundable		5,129,859	5,778,678
Provision for income tax for current year		(3,714,869)	(997,909)
Income tax written off		-	(444,183)
Income tax adjusted / deducted at source		1,289,337	793,273
		<u>2,704,327</u>	<u>5,129,859</u>
13 LONG TERM DEPOSITS			
National Commodities Exchange Limited		2,500,000	2,500,000
Security Deposit-N.C.E.L.-Office Space		850,000	850,000
Guarantee Margin - MCB		440,000	440,000
Mobile Phone - Pakistan Mobile Comm.		12,489	12,489
Security Deposit- CDC Pakistan Ltd.		37,722	37,500
		<u>3,840,211</u>	<u>3,839,989</u>
14 LONG TERM INVESTMENTS			
Investment in Associates	14.1	10,258,083	9,963,741
At fair value through other comprehensive income			
Shariah compliant			
Equity securities-listed	14.2	2,065,424	3,587,576
Mutual funds-listed	14.3	-	141,956
Non-shariah compliant		2,065,424	3,729,532
Equity securities-listed	14.4	1,031,427	1,711,871
At Amortised Cost			
Investment in Sukuk Certificates	14.5	5,000,000	5,357,128
Less: Current maturity		-	(357,128)
		<u>5,000,000</u>	<u>5,000,000</u>
		<u>18,354,934</u>	<u>20,405,144</u>



	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
14.1 Investment in Associates			
Opening Balance		9,963,741	7,476,930
Share of incremental depreciation - OCI Component		638	333,796
Share of profit of associate		847,579	2,485,340
		848,217	2,819,136
Dividend income		(553,875)	(332,325)
		10,258,083	9,963,741

14.1.1 This represents investment in associate, the Al-Noor Sugar Mills which is incorporated in Pakistan and listed on Pakistan Stock Exchange. Its registered office is situated at 96-A, Sindhi Muslim Society, Karachi. The principal activities of the associate is manufacturing sugar, medium density fiber (MDF) board, power generation and its sale.

The Modaraba owns 0.54% (June 2021: 0.54%) share capital of the Al-Noor Sugar Mills. However, Al-Noor Sugar Mill is associated company of the Modaraba base on the common directorship. The associate is accounted for using equity method in these financial statements.

14.1.2 The financial year end of the Al-Noor Sugar Mills is September 30. This was the reporting date established when that Company was incorporated and a change of reporting date is currently not possible. For the purposes of applying the equity method of accounting, the unaudited financial statements of Al-Noor Sugar Mills for the year ended June 30, 2022 have been used to reflect the profit /(loss) for the year June 30. As at June 30, 2022, the fair value of the Modaraba's interest in Al-Noor Sugar Mills is disclosed in 16.3 based on the quoted market price available on the Pakistan Stock Exchange, which is a level 1 input in terms of IFRS 13.

14.1.3 The summarized unaudited financial information in respect the Al-Noor Sugar Mills is set out below. The summarized financial information represents the amounts shown in the associate's financial statements for the respective year.

Name of Associate

Al-Noor Sugar Mills Limited

Basis of significant influence
Common directorship

	June 30, 2022	June 30, 2021
Number of shares held (number)	110,775	110,775
Ownership interest (%)	0.54%	0.54%

	June 30, 2022	June 30, 2021
	----- Rupees -----	
Share capital ordinary shares of Rs. 10 each	204,737	204,737
Total assets	13,280,480	10,422,162
Total liabilities	9,806,163	7,002,552
Net assets	3,474,317	3,419,610
Revenue	10,274,015	12,148,695
Profit after tax	156,959	460,248
Other comprehensive income	65,785	61,814
Cost of investment	1,482,481	1,482,481
Market value of shares	5,333,816	7,754,250



14.1.4 The Company's share of contingencies of associated company based on financial information of associated company is Rs. 4.44 million (June 30, 2021: Rs. 3.64 million).

14.1.5 The Company's share of commitments of associated company based on financial information of associated company is Rs. 0.80 million (June 30, 2021: Rs. 2.68 million).

	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	--- Number of Shares ---		----- Rupees -----	
14.2 Shahriah Compliant listed equity securities - at fair value through other comprehensive income' Face value of Rs.10 /-each				
Automobile Assembler				
Gandhara Nissan Limited	3,293	3,293	195,538	359,694
Gandhara Industries Limited	4,200	4,200	663,474	1,171,884
Millat Tractors Limited	-	708	-	764,364
			859,012	2,295,942
Modarabas				
First Habib Modaraba	3,500	4,500	32,760	44,100
OLP Modaraba (Formerly: Orix Modaraba)	11,000	11,000	176,000	192,500
Habib Metro Modaraba	500	500	3,780	4,755
Allied Rental Modaraba	16,500	15,000	370,425	173,911
First Imrooz Modaraba	2,400	3,000	400,560	441,000
Balance carried forward			983,525	856,266
Oil & Gas Producers				
Attock Petroleum Limited	120	120	38,557	38,524
Cement				
Power cement Limited	6,000	6,000	31,920	57,660
Pharmaceuticals				
The Searle Company Limited	1,398	1,398	152,410	339,184
			1,206,412	1,291,634
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	--- Number of Unit ---		----- Rupees -----	
14.3 Listed Mutual Funds - 'at fair value through other comprehensive income'				
Meezan Balanced Fund - Growth Units	-	9,104	-	141,956



	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	--- Number of Shares ---		----- Rupees -----	
14.4 Non-Shariah compliant Listed equity securities - at fair value through other comprehensive income' Face value of Rs.10 /-each				
Paper And Board				
Cherat Packaging Limited	8,495	8,495	959,255	1,689,542
Oil & Gas Producers				
Hascal Petroleum Limited	1,815	1,815	7,659	16,208
Automobile and Parts				
Hino Pak Motor Limited	210	10	64,512	6,121
Total investment in Non-Shariah Compliant			1,031,427	1,711,871
14.5 Two separate investment made in sukuk certificates (Sukuk I and Sukuk II) of Tier II of AlBaraka Bank Pakistan Limited. Sukuk I carrying profit to base rate of six months of KIBOR + 1.25% & terms of principal repayment bi-annual receivable in 14 equal installments till September, 2021.(June 30, 2021: KIBOR + 1.25%) and sukuk II carrying profit to base rate of six months of KIBOR + 0.75% & terms of repayment principal on maturity on August 21, 2024 (June 30, 2021: KIBOR + 0.75%). Sukuk II was fully redeemed during the year.				
			June 30, 2022	June 30, 2021
15 DIMINISHING MUSHARAKAH FINANCING - Secured	Note		----- Rupees -----	
Diminishing musharakah financing	15.1	86,025,520	122,184,621	
Less: Provision in respect of diminishing musharakah		-	-	
		86,025,520	122,184,621	
Less: Current portion		(50,179,344)	(46,711,912)	
		35,846,176	75,472,709	
15.1 These carry profit rate ranging from 9.22% to 15.50% (June 30, 2021: 9.00% to 15.88%) per annum and are repayable on monthly basis over a maximum period of four years. The financing is secured by way of personal guarantees of the parties and ownership of vehicles.				
			June 30, 2022	June 30, 2021
16 DEFERRED TAX ASSET	Note		----- Rupees -----	
Deferred tax liability /(asset) arising in respect of :-				
- accelerated tax depreciation		186,488	-	
- Investments		270,615	-	
- Provision for gratuity		2,547,720	-	
- Provision for Worker's welfare fund		125,353	-	
	16.1	3,130,176	-	



16.1 Reconciliation of deferred tax asset

	Opening balance	Recognized in profit and loss account	Recognized in statement of comprehensive income	Closing balance
June 30, 2022	-	2,605,068	525,108	3,130,176
June 30, 2021	-	-	-	-
			June 30, 2022	June 30, 2021
		Note	----- Rupees -----	
17 IJARAH ASSETS		17.1	-	1,005,705
17.1 Statement of Ijarah Assets- Vehicles				
Cost				
Balance as at July 01, 2021			5,574,000	28,591,500
Additions			-	-
Disposal			(5,574,000)	(23,017,500)
Balance as at June 30, 2022			-	5,574,000
Accumulated depreciation				
Balance as at July 01, 2021			(4,568,295)	(22,409,619)
Charge for the year			(510,423)	(1,946,740)
Disposal			5,078,718	19,788,064
Balance as at June 30, 2022			-	(4,568,295)
Net book value			-	1,005,705
Life (years)			4 to 5	4 to 5
18 FIXED ASSETS IN OWN USE				
Tangible assets		18.1	2,171,222	2,646,392



18.1 Tangible assets

	Computer equipment	Office equipment and appliances	Furniture and Fixtures	Motor Vehicles	Total
Cost	Rupees				
Balance as at July 1, 2020	873,697	583,476	857,950	6,110,761	8,425,884
Additions	138,800	-	92,216	-	231,016
Disposal	-	-	-	(1,034,779)	(1,034,779)
Balance as at June 30, 2021	<u>1,012,497</u>	<u>583,476</u>	<u>950,166</u>	<u>5,075,982</u>	<u>7,622,121</u>
Balance as at July 01, 2021	1,012,497	583,476	950,166	5,075,982	7,622,121
Additions	211,000	448,500	-	64,500	724,000
Disposal	(96,817)	(234,076)	-	(49,100)	(379,993)
Balance as at June 30, 2022	<u>1,126,680</u>	<u>797,900</u>	<u>950,166</u>	<u>5,091,382</u>	<u>7,966,128</u>
Accumulated depreciation					
Balance as at July 01, 2020	(604,524)	(474,014)	(349,508)	(3,399,807)	(4,827,853)
Charge for the year	(118,091)	(65,358)	(89,081)	(910,125)	(1,182,655)
Disposal	-	-	-	1,034,779	1,034,779
Balance as at June 30, 2021	<u>(722,615)</u>	<u>(539,372)</u>	<u>(438,589)</u>	<u>(3,275,153)</u>	<u>(4,975,729)</u>
Balance as at July 01, 2021	(722,615)	(539,372)	(438,589)	(3,275,153)	(4,975,729)
Charge for the year	(159,708)	(125,652)	(104,848)	(797,479)	(1,187,687)
Disposal	96,817	222,593	-	49,100	368,510
Balance as at June 30, 2022	<u>(785,506)</u>	<u>(442,431)</u>	<u>(543,437)</u>	<u>(4,023,532)</u>	<u>(5,794,906)</u>
Net book value as at June 30, 2022	<u>341,174</u>	<u>355,469</u>	<u>406,729</u>	<u>1,067,850</u>	<u>2,171,222</u>
Net book value as at June 30, 2021	<u>289,882</u>	<u>44,104</u>	<u>511,577</u>	<u>1,800,829</u>	<u>2,646,392</u>
Annual Rate of depreciation	<u>30%</u>	<u>30%</u>	<u>10%</u>	<u>20%</u>	



	Software	Web page design	Total
	----- Rupees -----		
19 INTANGIBLE ASSETS FOR OWN USE			
Cost			
Balance as at July 1, 2020	225,000	88,000	313,000
Balance as at June 30, 2021	225,000	88,000	313,000
Balance as at July 1, 2021	225,000	88,000	313,000
Balance as at June 30, 2022	225,000	88,000	313,000
Accumulated Amortization			
Balance as at July 1, 2020	(196,498)	(88,000)	(284,498)
Charge for the period	(18,000)	-	(18,000)
Balance as at June 30, 2021	(214,498)	(88,000)	(302,498)
Balance as at July 1, 2021	(214,498)	(88,000)	(302,498)
Charge for the period	(10,502)	-	(10,502)
Balance as at June 30, 2022	(225,000)	(88,000)	(313,000)
Net book value as at June 30, 2022	-	-	-
Net book value as at June 30, 2021	10,502	-	10,502
Annual Rate of amortization	30%	30%	

19.1 Software relate to the accounting and tax software system purchased in 2018.

19.2 Web design relates to website cost of the Modaraba made in the year 2012.

20 CERTIFICATE CAPITAL

20.1 Authorised certificate capital

June 30, 2022	June 30, 2021		June 30, 2022	June 30, 2021
---- Number of certificates ----			----- Rupees -----	
40,000,000	40,000,000	Modaraba certificates of Rs. 10 each	400,000,000	400,000,000

20.2 Issued, subscribed and paid - up certificate capital

20,000,000	20,000,000	Modaraba certificates of Rs. 10 each	200,000,000	200,000,000
		fully paid in cash		
1,000,000	1,000,000		10,000,000	10,000,000
21,000,000	21,000,000		210,000,000	210,000,000

20.3 As at June 30, 2022, First Al-Noor Modaraba Management (Private) Limited (the Management Company and a related party) held 4,200,000 certificates (June 2021: 4,200,000 certificates), as required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

**21 STATUTORY RESERVE**

Statutory reserve represents profits set aside to comply with the Prudential Regulations for Modarabas issued by the SECP. These regulations require a Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that reserves equal 100% of the paid up certificate capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred.

During the current period the Modaraba has transferred an amount of Rs.461,224 (June 30, 2021: Rs Rs. 130,871).

	June 30, 2022	June 30, 2021
Note	----- Rupees -----	
22 DEFICIT ON REVALUATION OF INVESTMENTS - Net of tax - Classified As 'FVTOCI'		
Market value of investments	3,096,850	5,441,402
Less: cost of investments	(7,327,318)	(7,758,041)
Impact of deferred tax	177,998	-
	<u>(4,052,470)</u>	<u>(2,316,639)</u>
Deficit on revaluation at the beginning of the year	(2,316,639)	(5,371,057)
(Deficit)/Surplus transferred to accumulated losses	(121,621)	174,625
Deficit on revaluation during the year	<u>(1,792,208)</u>	<u>2,879,793</u>
	(1,913,829)	3,054,418
Impact of deferred tax	177,998	-
Deficit on revaluation at the end of the year	<u>(4,052,470)</u>	<u>(2,316,639)</u>

Deficit on revaluation of investments is presented under a separate head below equity as 'deficit on revaluation of investments' in accordance with the requirement of circular No. SC/M/PROD/PRs/2017-259 dated December 11, 2017.

23 DEFERRED LIABILITY - STAFF GRATUITY**23.1 Staff Gratuity Scheme**

As disclosed in note 5.16, the Modaraba operates an unfunded gratuity scheme for its permanent employees. The latest actuarial valuation was carried out as at June 30, 2022, using the Projected Unit Credit Method.

The actuarial valuation of gratuity plan was carried out as at June 30, 2022. The projected unit credit method using the following significant assumptions were used for this valuation:

	2022	2021
Discount rate used for interest Cost in P&L charge	10.25%	9.25%
Discount rate used for year end obligation	13.50%	10.25%
Rate of increase in salary level in long-term	12.50%	9.25%
Withdrawal Rates	Age -Based SLIC 2001-2005 Age 60	
Mortality Rates		
Retirement Assumption		



	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
23.2 Liability recognised in the balance sheet:			
Present value of the defined benefit obligation	23.3	9,173,031	7,506,858
Less: fair value of planned assets		-	-
Defined benefit liability recognized in the accounts		<u>9,173,031</u>	<u>7,506,858</u>
23.3 Changes in present value of defined benefit obligation:			
Obligation as at start of the year		7,506,858	7,465,837
Current service cost	23.4	732,258	701,664
Past service cost (Credit)		-	-
Interest cost of defined benefit obligation	23.4	716,512	636,835
benefit due but not paid (payables)		-	-
Benefits paid		(1,033,000)	(1,115,000)
Remeasurements		-	-
Actuarial (gain)/loss from changes in demographic assumptions	23.5	(84,837)	-
Actuarial loss from changes in financial assumptions	23.5	372,184	110,714
Experience adjustments	23.5	963,056	(293,192)
Obligation as at year end		<u>9,173,031</u>	<u>7,506,858</u>
23.4 Amounts recognized in profit and loss account			
Current service cost		732,258	701,664
Interest cost of defined benefit obligation		716,512	636,835
Expense recognized in P&L		<u>1,448,770</u>	<u>1,338,499</u>
23.5 Total remeasurement chargeable in other comprehensive income			
Remeasurement of plan obligation			
Actuarial (gain)/loss from changes in demographic assumptions		(84,837)	-
Actuarial (gain)/loss from changes in financial assumptions		372,184	110,714
Experience adjustments		963,056	(293,192)
Total remeasurement chargeable in other comprehensive income		<u>1,250,403</u>	<u>(182,478)</u>
23.6 Changes in net liability			
Opening balance sheet liability		7,506,858	7,465,837
Expense chargeable to P& L	23.4	1,448,770	1,338,499
Remeasurement chargeable in other comprehensive income	23.5	1,250,403	(182,478)
Benefits paid	23.3	(1,033,000)	(1,115,000)
Closing balance sheet liability		<u>9,173,031</u>	<u>7,506,858</u>

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions	Increase in assumptions	Decrease in assumptions
		-----Rupees-----	
Discount rate	1%	8,344,117	10,116,051
Salary increase rate	1%	10,206,048	8,247,785



The average duration of the defined benefit obligation is 12 years.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity liability recognised within the balance sheet.

23.7 Estimated expenses to be charged to Profit and Loss account in the financial year 2022 in amounting to Rs. 1,485,542.

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
24 SECURITY DEPOSITS			
Security deposits		-	557,400
Less: Repayable / adjustable after one year		-	-
Current maturity of security deposits		<u>-</u>	<u>557,400</u>
25 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Accrued expenses		823,364	477,518
Takaful		18,369	18,369
Advances from customers		1,342,658	4,179,400
Provision for Worker's Welfare Fund	25.1	451,332	416,332
Audit fee payable		296,237	407,980
		<u>2,931,960</u>	<u>5,499,599</u>

25.1 The Finance Act 2008, introduced an amendment to the Worker's Welfare Fund Ordinance, 1971 (WWF Ordinance). Through these amendments Workers Welfare Fund (WWF) was payable @ 2% of the profit before taxation or taxable income whichever is higher. The legality of the above amendments were challenged in Sindh, Lahore and Peshawar High Courts. Due to variable judgments from the aforesaid Courts, the matter was forwarded to the Honorable Supreme Court of Pakistan. The Honorable Supreme Court has decided the matter on November 10, 2016, and Para 21 of its judgment states that the levy of WWF is in the nature of fee and the law could not be amended by the money bill and as such amendments made in the year 2006 and 2008 are unlawful ultravires to the Constitution. In terms of judgment by the Honorable Supreme Court of Pakistan, WWF under WWF Ordinance, is no more payable by the Modaraba and provision made against WWF up till June 30, 2014 is reversed during the period. Subsequently the Sindh Assembly passed a bill on May 4, 2015 and notified Sindh Worker's Welfare Act 2014 on June 4, 2015.

As per the said Act the applicability of the Sindh Workers Welfare Fund is effective from the financial year of the entities ended on or after December 31, 2013. Accordingly, provision has been made at the rate of 2% of profit before taxation or taxable income, whichever is higher, effective after June 30, 2014.

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
26 Charity payable			
Opening balance		21,235	52,587
Add: amount credited during the year		78,422	183,074
		<u>99,657</u>	<u>235,661</u>
Less: paid during the year		(21,236)	(214,426)
Closing balance		<u>78,421</u>	<u>21,235</u>
27 PROVISION FOR CUSTOM DUTY & SURCHARGE			
Custom duty / surcharges	27.1	<u>4,398,842</u>	<u>4,398,842</u>



- 27.1** In a suit filed with the Honorable High Court of Sindh in the year 1994 - 95, Modaraba has disputed the amount of duty and surcharge levied by the Collector of Customs on import of 1,901.472 metric tons of edible oil imported from Singapore. The Honorable High Court rejected the appeal and ordered to deposit amount for the disputed amount of duty. The Modaraba has filed an appeal in the Honorable Supreme Court against the decision of the Honorable High Court. The Honorable Supreme Court in its interim order allowed the Modaraba to get release of goods for which Modaraba has provided bank guarantee of Rs. 4.4 million against 10% cash margin and hypothecation charge on current assets until the matter is decided. The Modaraba, however, has fully provided for the duty and surcharge of Rs. 4,398,842, as claimed by the Collector of Customs.

28 CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

Details of contingencies regarding Provision for Sindh Workers' Welfare Fund, Musawamah facility litigation against Quetta Textile Mills Limited and Provision for Custom Duty and Surcharge are disclosed in notes 25.1, 8.2 and 27.1 respectively.

28.1.1 PROVISION FOR SERVICE SALES TAX ON MANAGEMENT COMPANY'S REMUNERATION

The Sindh Revenue Board (SRB) has imposed Sindh Sales Tax (SST) on the Modaraba Management Company's remuneration with effect from 01 November 2011. However, certain modaraba management companies have approached the Honorable Sindh High Court (the Court) and Appellate Tribunal of SRB, challenging the levy of SST on management company's remuneration. The Modaraba Management Company has not received any demand notice from SRB for payment of SST on Management Company's remuneration and accordingly, based on legal advisor's opinion, can neither file any petition challenging the levy of SST on Management Company's remuneration nor can join the proceedings of pending petition in the Court. As a matter of abundant caution the management is accruing SST on Management Company's remuneration and will discharge the liability on direction of the Court based on outcome of the petition filed by other modaraba management companies.

28.2 Commitments

There are no commitments as at June 30, 2022 (June 30, 2021: Nil).

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
29 INCOME FROM TRADING OPERATIONS			
Sales		85,449,375	-
Cost of sales	29.1	(72,148,256)	-
		13,301,119	-
29.1 Cost of sales			
Opening stock		-	-
Purchases		72,148,256	-
Less: closing stock		-	-
Cost of sales		72,148,256	-
30 INCOME ON DIMINISHING MUSHARAKA			
Income on diminishing musharaka		16,515,768	11,971,476
31 INCOME FROM IJARAH RENTALS- NET			
Ijarah income		1,370,775	3,562,663
Less: depreciation of ijarah assets		(510,423)	(1,946,740)
		860,352	1,615,923



		June 30, 2022	June 30, 2021
	Note	----- Rupees -----	
32 INCOME FROM INVESTMENTS			
Gain on sale of securities - net		1,522,412	10,144,948
Dividend income - shariah compliant	32.1	1,353,255	1,106,579
Profit on sukuk certificates		437,092	566,514
Profit on investment in islamic certificates		949,463	1,384,435
Profit on term deposit receipts		2,710,684	832,768
		6,972,906	14,035,244
32.1 Dividend income			
FVTOCI (shares held at reporting date)		204,491	161,973
FVTPL		955,602	944,606
		1,160,093	1,106,579
33 Administrative and operating expenses			
Salaries and others staff benefits	33.1 & 33.5	13,243,934	12,822,848
Rent, rates and taxes		1,202,084	77,118
Postage and telephone		198,840	230,650
Printing and stationary		490,755	432,772
Fee & subscription	33.3	3,285,518	1,686,639
Legal and professional charges		25,000	1,731,510
Travelling and conveyance		850,589	82,260
Entertainment		256,479	175,682
Repair and maintenance		436,994	3,042,109
Depreciation and amortization		1,198,189	1,200,655
Auditor's remuneration	33.4	1,348,430	1,304,032
Advertisement and publicity		39,200	41,032
Registration charges		322,100	-
Takaful	33.2	2,696,605	3,343,070
Commission		135,444	670,169
Others		1,186,045	306,137
Income and sales tax written off		-	1,620,108
		26,916,206	28,766,791

33.1 This includes Rs.1,448,770 (2021: Rs. 1,338,499) in respect of staff retirement benefits.

33.2 This includes Rs.3,554,352 (2021: Rs.3,554,352) in respect Takaful for Ijarah & diminishing musharakah assets.

33.3 This includes Rs.425,000 (2021: Rs.410,000) in respect Directors Meeting Fee.

	Note	June 30, 2022	June 30, 2021
		----- Rupees -----	
33.4 Auditor's remuneration			
Audit fee		324,000	324,000
Half yearly review		119,680	119,680
Out-of-pocket expenses		91,950	91,950
Tax Consultancy		812,800	768,402
		1,348,430	1,304,032



- 33.5** The aggregate amount of remuneration charged in these financial statement, including all benefits to officers and employees of the Modaraba are as under:

	2022			2021		
	Executives	Other Staff	Total	Executives	Other Staff	Total
Salary	5,880,000	4,342,173	10,222,173	7,186,650	1,548,329	8,734,979
Contract staff	-	379,759	379,759	1,080,000	-	1,080,000
Bonus	127,500	166,206	293,706	578,333	269,204	847,537
Gratuity	833,362	615,408	1,448,770	1,087,135	251,364	1,338,499
EOBI	21,000	65,800	86,800	29,167	58,333	87,500
Group insurance	210,948	155,778	366,726	91,333	182,667	274,000
General services	437,000	9,000	446,000	222,212	180,788	403,000
Leave in cash	-	-	-	-	57,333	57,333
	7,509,810	5,734,124	13,243,934	10,274,830	2,548,018	12,822,848
No. of persons	3	6	9	3	6	9

In addition the executives are also provided with the Modaraba's maintained vehicles.

	June 30, 2022	June 30, 2021
	----- Number -----	
No of employees as at year end	9	9
Average number of employees	9	9

	June 30, 2022	June 30, 2021
	----- Rupees -----	

34 OTHER INCOME

Profit on bank deposits	711,326	2,143,836
Early termination charges	280,333	97,929
Gain on disposal of property and equipment	13,518	809,999
Documentation charges	45,400	53,099
	1,050,577	3,104,863

35 FINANCIAL AND OTHER CHARGES

Bank charges	6,314	7,415
Guarantee commission	26,400	8,800
	32,714	16,215

36 MODARABA COMPANY'S REMUNERATION

Management company's remuneration	36.1	-	-
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- 36.1** The Modaraba company under the provisions of the Modaraba Ordinance, 1980 and the circular issued by SECP having circular No. SC/M/Policy/2011-15 dated November 30, 2011., may charge up to a maximum of 10% management remuneration out of the net annual profit of the Modaraba on the basis of annual audited accounts provided that 90% of the profit available for appropriation is also distributed to the certificate holders of the Modaraba after setting aside out of the profit of the Modaraba such sums as it thinks proper as reserve in accordance with regulatory framework applicable for Modarabas. The management remuneration shall be charged only once on the profit of a Modaraba i.e. the portion of profit carried forward should not again be subject to deduction of management fee. During the year the Modaraba is not intended to issue dividend as it is uneconomical therefore, provision for management remuneration is not made.

		June 30, 2022	June 30, 2021
	Note	----- Rupees -----	
37 WORKERS' WELFARE FUND	37.1	<u><u>35,000</u></u>	<u><u>33,720</u></u>

- 37.1** The Finance Act 2008 made certain changes to the Workers' Welfare Fund Ordinance, 1971. Through these amendments Workers' Welfare Fund (WWF) is payable @ 2% on the higher of the profit before taxation as per the financial statements or return of income.

		June 30, 2022	June 30, 2021
	Note	----- Rupees -----	
38 TAXATION			
Current tax expense		3,714,869	997,909
Deferred tax income		<u>(2,605,068)</u>	<u>-</u>
	38.1	<u><u>1,109,801</u></u>	<u><u>997,909</u></u>
38.1 Relationship between accounting profit and tax expense for the year is as follows:			
Profit before taxation		3,415,923	1,652,263
Tax at the applicable tax rate of 29%		990,618	479,156
Tax effect of income from other sources		514,431	1,687,729
Tax effect of permanent differences		<u>(395,248)</u>	<u>(1,168,976)</u>
		<u><u>1,109,801</u></u>	<u><u>997,909</u></u>

		June 30, 2022	June 30, 2021
		----- Rupees -----	
39 EARNING/(LOSS) PER CERTIFICATE - BASIC AND DILUTED			
Profit for the year		<u><u>2,306,122</u></u>	<u><u>654,354</u></u>
		----- (Numbers) -----	
Weighted average number of certificates		<u><u>21,000,000</u></u>	<u><u>21,000,000</u></u>
		----- (Rupees) -----	
Earning/(Loss) per certificate		<u><u>0.11</u></u>	<u><u>0.03</u></u>

- 39.1** There is no dilutive potential shares as at the year end.


40 FINANCIAL INSTRUMENTS BY CATEGORY
Financial assets

	As at June 30, 2022		
	FVTPL	FVTOCI	At Amortised Cost
	----- Rupees -----		
Cash and bank balances	-	-	95,036,459
Investments	52,718,559	3,096,851	5,000,000
Long term deposits	-	-	3,840,211
Profit receivable	-	-	926,618
Receivable form diminishing musharaka	-	-	1,637,205
Diminishing musharakah	-	-	86,025,520
Other receivables	-	-	21,676
Total financial assets	52,718,559	3,096,851	192,487,689

Financial liabilities

Creditors, accrued and other liabilities	-	-	1,206,558
Unclaimed profit distributions	-	-	1,109,146
Charity payable	-	-	9,833
Total financial liabilities	-	-	2,325,537

	As at June 30, 2021		
	FVTPL	FVTOCI	At Amortised Cost
	----- Rupees -----		
Financial assets			
Cash and bank balances	-	-	59,001,144
Investments	29,299,313	5,441,403	5,357,128
Long term deposits	-	-	3,839,989
Profit receivable	-	-	779,923
Receivable form diminishing musharaka	-	-	2,182,248
Ijarah rental receivable	-	-	77,971
Diminishing musharakah	-	-	122,184,621
Other receivables	-	-	35,738
Total financial assets	29,299,313	5,441,403	193,458,762
Financial liabilities			
Creditors, accrued and other liabilities	-	-	903,867
Unclaimed profit distributions	-	-	1,109,146
Charity payable	-	-	21,235
Total financial liabilities	-	-	2,034,248

41. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Modaraba's objective in managing risks is the creation and protection of Certificate holders' value. Risk is inherent in the Modaraba's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Modaraba's continuing profitability. The Modaraba is exposed to market risk (which includes profit rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

The Modaraba primarily invests in Ijarah assets, diminishing musharakah, diversified portfolio of listed securities, and Islamic investments instruments. Such investments are subject to varying degrees of risk, which emanate from various factors that include but are not limited to:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk



41.1 Credit risk

Credit risk is the risk of financial loss to the Modaraba if the counterparty to a financial instrument fails to meet its contractual obligations. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Modaraba's policy is to enter into financial contracts in accordance with the internal risk management policies and the requirements of the Modaraba Rules and Regulations. The carrying amount of respective financial assets represents the maximum credit exposure at the reporting date.

	June 30, 2022	June 30, 2021
	----- Rupees -----	
Cash and bank balances	95,036,459	59,001,144
Investments	5,000,000	5,357,128
Long term deposits	3,840,211	3,839,989
Profit receivable	926,618	779,923
Ijarah rental receivable	-	77,971
Diminishing musharakah	86,025,520	122,184,621
Other receivables	21,676	35,738
	190,850,484	191,276,514

Bank balances and term deposits receipts

Credit risk rating of the banks and their respective balances are given below:

Bank	Rating			June 30, 2022	June 30, 2021
	Agency	Short term	Long term	----- Rupees -----	
Al-Baraka Bank Limited	JCR-VIS	A-1	A+	91,363,614	55,287,093
Allied Bank Limited	PACRA	A1+	AAA	-	57,867
Askari Bank Limited	PACRA	A1+	AA+	31,766	62,534
Faysal Bank Limited	PACRA	A1+	AA	276,731	304,315
HBL Bank Limited	JCR-VIS	A-1+	AAA	511,595	303,395
MCB Islamic Bank Limited	PACRA	A1	A	77,993	64,217
Meezan Bank Limited	JCR-VIS	A-1+	AAA	1,649,312	2,629,944
National Bank of Pakistan	PACRA	A1+	AAA	1,053,440	280,311
NRSP Microfinance Bank	JCR-VIS	A-1	A	72,008	
United Bank Limited	JCR-VIS	A-1+	AAA	-	11,468

Ijarah rental receivable, Diminishing musharakah facility and Investments

The Modaraba's policy is to enter into financial contracts in accordance with the internal risk management policies and the requirements of the Prudential Regulations for Modarabas issued by the Securities and Exchange Commission of Pakistan (SECP). The Modaraba aims to manage its credit risk exposure through diversification of its arrangements to avoid undue concentration of risks with individuals or groups of customers in specific locations or businesses. Credit risk is further mitigated through proper due diligence, appropriate transaction structuring and adequate collateralization of the exposure. In addition, the risk is mitigated through adequate takaful coverage of the assets under charge of the Modaraba. The respective collateral details against the Modaraba's exposure is detailed in notes of facilities and investments.



Long term deposit

Such deposit is refundable upon termination of services and management does not expect significant credit risk to arise there against.

An analysis of the financial assets that are individually impaired as per the requirements of the Prudential Regulations for Modarabas are as under:

	June 30, 2022		June 30, 2021	
	Balance outstanding	Provision held	Balance outstanding	Provision held
Musawamah facility (Classified Portfolio)				
Loss	25,000,000	(25,000,000)	25,000,000	(25,000,000)

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect groups of counterparties whose aggregate credit exposure is significant in relation to the Modaraba's total credit exposure. Concentration of credit risk indicate the relative sensitivity of the Modaraba's performance to developments affecting a particular industry.

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

Details of the Modaraba's concentration of credit risk of financial instruments in respect of investments, diminishing musharakah and ijarah receivables industrial distributions with respect to segment assets are as follows:

	June 30, 2022		June 30, 2021	
	Rupees	%	Rupees	%
Chemicals	1,000,854	0.67%	1,181,907	0.72%
Cement	3,563,703	2.40%	3,948,640	2.40%
Oil & Gas Producers	7,408,169	4.99%	7,223,926	4.39%
Gas Water & Multi utilities	1,009,195	0.68%	5,198,675	3.16%
General Industries	-	0.00%	-	0.00%
Automobile and Parts	20,316,289	13.68%	29,979,763	18.22%
Textiles	665,190	0.45%	350,149	0.21%
Pharmaceuticals	6,412,819	4.32%	5,461,811	3.32%
Transport	-	0.00%	72,700	0.04%
Cable and Electrical goods	2,452,746	1.65%	3,243,050	1.97%
Food & Personal Care Products	904,875	0.61%	1,946,670	1.18%
Banks	5,282,450	3.56%	5,857,307	3.56%
Mutual Fund	27,415,258	18.46%	268,677	0.16%
Power Generation & Distribution	4,174,989	2.81%	626,999	0.38%
Engineering	24,798,659	16.70%	25,200,000	15.32%
Modarabas	983,525	0.66%	856,266	0.52%
Paper And Board	959,255	0.65%	1,689,542	1.03%
Technology & Communication	9,868,462	6.65%	15,984,452	9.71%
Logistics	20,078,162	13.52%	39,340,110	23.91%
Miscellaneous	11,183,535	7.53%	16,112,040	9.79%
	148,478,135	100.00%	164,542,684	100.00%



41.2 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 will be required to pay its liabilities earlier than expected or will face 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 following are the contractual maturities of financial liabilities:

	June 30, 2022			
	Carrying amount	Contractual cash flows	Upto 3 months	Over 3 months to on year
	----- Rupees -----			
Financial liabilities				
Creditors, accrued and other liabilities	1,137,970	(1,206,558)	1,206,558	-
Unclaimed profit distributions	1,109,146	(1,109,146)	1,109,146	-
Charity payable	78,421	(78,421)	78,421	-
	<u>2,325,537</u>	<u>(2,325,537)</u>	<u>2,325,537</u>	<u>-</u>
	June 30, 2021			
	Carrying amount	Contractual cash flows	Upto 3 months	Over 3 months to on year
	----- Rupees -----			
Financial liabilities				
Creditors, accrued and other liabilities	903,867	(903,867)	903,867	-
Unclaimed profit distributions	1,109,146	(1,109,146)		-
Charity payable	21,235	(21,235)	21,235	-
	<u>2,034,248</u>	<u>(2,034,248)</u>	<u>925,102</u>	<u>-</u>

The table above shows the undiscounted cash flows of the Modaraba's financial liabilities on the basis of their earliest possible contractual maturity or settlement.

41.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

41.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Modaraba, at present, is not exposed to currency risk as all transactions are carried out in Pakistani Rupees.

41.3.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market profit rates. The Modaraba has adopted appropriate policies to minimize its exposure to this risk. The profit rate profile of the Modaraba's significant profit bearing financial instruments and the periods in which these will mature are as follows:

June 30, 2022								
	Effective yield/ profit rate	Total	Exposed to yield/ profit rate risk					Not exposed to yield/ profit rate risk
			Upto one month	Over one month to three months	Over three months to one year	Over one year to five years	Over five years	
On balance sheet financial instruments	%							
Rupees								
Financial assets								
Cash and bank balances	3.25-6.90	95,036,459	90,275,824	-	-	-	-	4,760,635
Investments	9.00-9.25	60,815,410	-	-	-	5,000,000	-	55,815,410
Long term deposits		3,840,211	-	-	-	-	-	3,840,211
Profit receivable		926,618	-	-	-	-	-	926,618
Receivable form diminishing musharaka			1,637,205	-	-	-	-	(1,637,205)
Diminishing musharakah	9.22-15.50	86,025,520	-	-	50,179,344	35,846,176	-	-
Other receivables		21,676	-	-	-	-	-	21,676
Total financial assets		246,665,894	91,913,029	-	50,179,344	40,846,176	-	63,727,345
Financial liabilities								
Creditors, accrued and other liabilities		1,206,558	-	-	-	-	-	1,206,558
Charity Payable		9,833	-	-	-	-	-	9,833
		1,216,391	-	-	-	-	-	1,216,391
On balance sheet gap		245,449,503	91,913,029	-	50,179,344	40,846,176	-	62,510,954

June 30, 2021								
	Effective yield/ profit rate	Total	Exposed to yield/ profit rate risk					Not exposed to yield/ profit rate risk
			Upto one month	Over one month to three months	Over three months to one year	Over one year to five years	Over five years	
On balance sheet financial instruments	%							
Rupees								
Financial assets								
Cash and cash equivalent	2.88-5.75	59,001,144	55,278,170	-	-	-	-	3,722,974
Investments	7.99-12.00	40,097,844	357,128	-	-	5,000,000	-	34,740,716
Long term deposits		3,839,989	-	-	-	-	-	3,839,989
Profit receivable		779,923	-	-	-	-	-	779,923
Receivable form diminishing musharaka								
Ijarah rental receivable		77,971	-	-	-	-	-	77,971
Diminishing musharakah	11.00-15.49	122,184,621	46,711,912	-	-	75,472,709	-	-
Other receivables		35,738	-	-	-	-	-	35,738
Total financial assets		226,017,230	102,347,210	-	-	80,472,709	-	43,197,311
Financial liabilities								
Creditors, accrued and other liabilities		903,867	-	-	-	-	-	903,867
Charity Payable		21,235	-	-	-	-	-	21,235
		925,102	-	-	-	-	-	925,102
On balance sheet gap		225,092,128	102,347,210	-	-	80,472,709	-	42,272,209

Fair value sensitivity analysis for variable rate instruments

As at the reporting date, variable rate instruments of the Modaraba represent cash and bank balances, Diminishing Musharakah, Sukuk and Islamic certificates. In case of 100 basis points increase/ decrease in profit rates on the last reporting date of variable rate instruments with all other variables held constant, the following will be the impact on the profit and loss account and the equity of the Modaraba.

	June 30, 2022		June 30, 2021	
	Increase in 100 basis points	Decrease in 100 basis points	Increase in 100 basis points	Decrease in 100 basis points
Cash and cash equivalent	902,758	(902,758)	552,782	(552,782)
Investments	50,000	(50,000)	53,571	(53,571)
Diminishing musharakah	860,255	(860,255)	1,221,846	(1,221,846)
	<u>1,813,013</u>	<u>(1,813,013)</u>	<u>1,828,199</u>	<u>(1,828,199)</u>

There are not fixed rate financial instruments as at June 30, 2022 and June 30, 2021.

The composition of the Modaraba's portfolio of financial instruments and profit rates are expected to change over time. Therefore, the sensitivity analysis prepared as June 30, 2022 is not necessarily indicative of the effect of the Modaraba's profit and loss and reserves due to changes in profit rates.

41.3.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Modaraba is exposed to equity securities and mutual funds price risk because of investments held by the Modaraba and classified as 'FVTOCI' and 'FVTPL'. To manage its price risk arising from investments in equity securities, the Modaraba diversifies its portfolio.

In case of 10% increase/decrease in equity shares investment held and classified as other comprehensive income for the year would be affected by Rs. 0.031 million (2021: Rs 0.54 million) as a result of gains/losses on investments classified as at FVTOCI and investment classified as FVTPL would be affected by Rs.5.28 million (2021: Rs 2.93 million) as a result of gains/losses on investments classified as at FVTPL.

The analysis is based on the assumption that the equity index had increased / decreased by 10% with all other variables held constant and all the Modaraba's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Modaraba's investment portfolio and the correlation thereof to the PSX 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2022 is not necessarily indicative of the effect on the Modaraba's net assets of future movements in the level of the PSX 100 Index.

41.4 Operational risk

Operational risk is the potential for loss resulting from inadequate or failed internal processes and systems, human error, or from impact of external events (including legal risks). Operational risk is inherent in the Modaraba's activities and, as with the other risk types, is managed through an overall framework with checks and balances that includes recognized ownership of the risk by the businesses, independent risk management oversight and an independent review by the Internal Audit.



The Modaraba considers the overall operational risk by breaking it down into different sub-components / areas called as operational risk sub-types under which operational risks are identified. The overall operational risk management responsibilities lie with the Operational Risk department. For the identified operational risks, operational risk control owners are put in place and made responsible for performance of checks and testing of identified controls in their areas and reporting of the same to the operational risk department which reports any exception or deviation to the Operational Risk Committee where corrective and preventive actions are taken.

42 CAPITAL RISK MANAGEMENT

The Modaraba's prime objective when managing capital is to safeguard the Modaraba's ability to continue as a going concern so that it can continue to provide optimum returns to its certificate holders' and benefits of other stake holders and to maintain a strong capital base to support the sustained development of its businesses. The Modaraba manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Modaraba may adjust the amount of profit paid to certificate holders or issue new certificates. The Modaraba is not subject to externally imposed capital requirements.

43 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the assets or liability that are not based on observable market data (that is, unobservable input).

If the inputs used to measure the fair value of financial asset fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Modaraba determine fair values using valuation techniques unless the fair value cannot be reliably measured.

For assets that are recognised in the financial statements at fair value on a recurring basis, the Modaraba recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

The table below shows the carrying amounts and fair values of a financial asset and financial liability including their fair value hierarchy for financial instruments measured at fair value.



June 30, 2022							
		Carrying amount			Fair value		
	At amortised cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
-----Rupees-----							
Financial assets measured at fair value (note 43.1)							
Investments							
Listed equity securities	-	25,303,301	3,096,851	28,400,152	28,400,152	-	-
Listed Mutual funds	-	27,415,258	-	27,415,258	-	27,415,258	-
	-	52,718,559	3,096,851	55,815,410	28,400,152	27,415,258	-
Financial assets not measured at fair value							
Investments							
Sukuk Certificates (note 43.1)	5,000,000	-	-	5,000,000	-	5,103,120	-
Cash and bank balances (note 43.2)	95,036,459	-	-	95,036,459	-	-	-
Long term deposits (note 43.2)	3,840,211	-	-	3,840,211	-	-	-
Receivable from diminishing musharaka (note 43.2)							
Profit receivable (note 43.2)	926,618	-	-	926,618	-	-	-
Diminishing musharakah (note 43.2)	86,025,520	-	-	86,025,520	-	-	-
Other receivables (note 43.2)	21,676	-	-	21,676	-	-	-
	192,487,689	-	-	192,487,689	-	-	-

	Carrying amount		
	At		
	FVTPL	amortized cost	Total
-----Rupees-----			
Financial liabilities not measured at fair value (note 43.2)			
Creditors, accrued and other liabilities	-	1,137,970	1,137,970
Unclaimed profit distributions	-	1,109,146	1,109,146
Charity Payable	-	78,421	78,421
	-	2,325,537	2,325,537



June 30, 2021							
	Carrying amount			Fair value			
	At amortised cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value	-----Rupees-----						
Investments							
Listed equity securities (note 43.1)	-	29,172,592	5,299,447	34,472,039	34,472,039	-	-
Listed Mutual funds (note 43.1)	-	126,721	141,956	268,677	-	268,677	-
	-	29,299,313	5,441,403	34,740,716	34,472,039	268,677	-
Financial assets not measured at fair value							
Cash and bank balances	59,001,144	-	-	59,001,144	-	-	-
Investments							
Sukuk Certificates (note 43.1)	5,357,128	-	-	5,357,128	-	5,398,828	-
Islamic Certificates (note 43.2)	-	-	-	-	-	-	-
Long term deposits (note 43.2)	3,839,989	-	-	3,839,989	-	-	-
Profit receivable (note 43.2)	779,923	-	-	779,923	-	-	-
Ijarah rental receivable (note 43.2)	77,971	-	-	77,971	-	-	-
Diminishing musharakah (note 43.2)	122,184,621	-	-	122,184,621	-	-	-
Other receivables (note 43.2)	35,738	-	-	35,738	-	-	-
	191,276,514	-	-	191,276,514	-	5,398,828	-

June 30, 2021			
	Carrying amount		
	FVTPL	At amortized cost	Total
Financial liabilities not measured at fair value (note 43.2)	-----Rupees-----		
Creditors, accrued and other liabilities	-	903,867	903,867
Unclaimed profit distributions	-	1,109,146	1,109,146
Charity Payable	-	21,235	21,235
	-	2,034,248	2,034,248

**43.1 Valuation techniques used in determination of fair values within level 2:**

43.1.1 Investment in mutual funds are valued on the basis of the closing net assets at the reporting date announced by the Mutual Funds Association of Pakistan (MUFAP) based on the closing net assets of the mutual funds.

43.1.2 Investment in sukuk, issued by AlBaraka Bank Limited are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan (SECP).

43.2 The Modaraba has not disclosed the fair values for these financial assets, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of fair value.

44 RELATED PARTY TRANSACTIONS

The related parties of the Modaraba comprise of its Management Company, associated companies, directors of the Management Company and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel (which are employed by the Management Company) under the terms of their employment and disclosed elsewhere in these financial statements are as follows:

	June 30, 2022	June 30, 2021
	----- Rupees -----	
44.1 Balance outstanding at period end		
Modaraba Management Company		
Management remuneration	-	-
Other related parties (other than key management personnel)		
Contribution to staff gratuity fund	<u>9,173,031</u>	<u>7,506,858</u>
44.2 Transactions during the period		
Modaraba Management Company		
Management fee	-	-
Other related parties (other than key management personnel)		
Contribution to staff gratuity fund	<u>1,448,770</u>	<u>1,338,499</u>

45 INFORMATION ABOUT BUSINESS SEGMENTS

As per IFRS 8 - 'Operating Segments', operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision maker. The chief executive officer of the management company has been identified as the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

The Chief Executive Officer is responsible for Modaraba's entire product portfolio and consider business to have a three operating segments.

The internal reporting provided to the chief executive officer for the Modaraba's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.



The Modaraba's is domiciled in Pakistan. All of the Modaraba's income is from the investments in entities incorporated in Pakistan.

Details of segment revenues, costs, profit, assets and liabilities are as follows:

	June 30, 2022				Total
	Trading	Financing	Investment	Ijarah	
	-----Rupees-----				
Segment revenue	13,301,119	16,515,768	3,312,759	860,352	33,989,998
Segment results	13,301,119	16,515,768	(5,502,551)	860,352	25,174,688
Unallocated corporate expenses					(26,948,920)
Other income					4,710,724
Provision for worker's welfare fund					(35,000)
Taxation					(595,370)
Profit for the year					<u>2,306,122</u>
Segment assets and liabilities					
Reportable segment assets	-	87,428,320	73,866,517	-	161,294,837
Unallocated corporate assets					108,358,693
Consolidated total assets					<u>269,653,530</u>
Reportable segment liabilities	-	12,173,579	-	-	12,173,579
Unallocated corporate liabilities					5,517,821
Consolidated total liabilities					<u>17,691,400</u>

	June 30, 2021				Total
	Trading	Financing	Investment	Ijarah	
	-----Rupees-----				
Segment revenue	-	11,971,476	13,202,476	1,615,923	26,789,875
Segment results	-	11,971,476	11,946,050	1,615,923	25,533,449
Unallocated corporate expenses	-	-	-	-	(28,783,006)
Other income	-	-	-	-	3,937,631
Provision for worker's welfare fund					(33,720)
Profit for the year					<u>654,354</u>
Segment assets and liabilities					
Reportable segment assets	-	144,819,430	52,793,486	1,083,676	198,696,592
Unallocated corporate assets	-	-	-	-	72,569,361
Consolidated total assets					<u>271,265,953</u>
Reportable segment liabilities	-	13,006,457	-	557,400	13,563,857
Unallocated corporate liabilities	-	-	-	-	5,529,223
Consolidated total liabilities					<u>19,093,080</u>


46 DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed with reference to circular No. 14 of 2016 dated April 21, 2016, issued by the securities and Exchange commission of Pakistan relating to " All Shares Islamic Index

Description	Explanation
i) Loan and advances	Non-interest bearing
ii) Long term deposits	Non-interest bearing
iii) Segment revenue	Non-interest bearing
iv) Relationship with banks	Segment wise revenue disclosed note no. 45 Modaraba maintains profit based banking relationships with Islamic Banks/ Bank Islamic window operations.
v) Banks balances	All profit yielding bank accounts are maintained with Islamic Banks/ Bank Islamic window operations whereas few of the current accounts are also maintained with conventional banking systems (note no. 6).
vi) Profit on bank deposits	This represents profit, only from Islamic banks/ Bank Islamic window operations.
vii) Breakup of dividend income -classification wise	Disclosed in note no. 32.1.
viii) All sources of their income	Disclosed in note No. 29-32 and 34.
ix) Gain /loss regardless of realized or unrealized from investments in shares/mutual funds	Disclosed in note no. 32, 14.1, 7 and 22.

47 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue on September 19, 2022 by the Board of Directors of the Management Company.

48 CORRESPONDING FIGURES

Corresponding figure has been rearranged and reclassified, wherever necessary, for the purpose of better presentation in the financial statements. However, there is no significant rearrangements or reclassifications.

49 NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of directors of the Management Company in their meeting held on September 19, 2022 has approved:

	June 30, 2022	June 30, 2021
	----- Rupees -----	
Issue of 10 bonus certificates for every 100 certificates held (June 30, 2021: Nil)	21,000,000	-

These would be recognised in the Modaraba's financial statements in the year in which such distribution are approved.

**For Al-Noor Modaraba Management (Private) Limited
(Management Company)**

**Sd/-
Chief Executive Officer**

**Sd/-
Chief Financial Officer**

**Sd/-
Director**

**Sd/-
Director**



PATTERN OF HOLDING OF THE CERTIFICATES HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2022

No. of Certificate Holders	Certificate Holdings		Total Certificate Held
	From	To	
108	1	100	3,792
85	101	500	33,592
118	501	1,000	89,208
129	1,001	5,000	342,268
35	5,001	10,000	264,124
14	10,001	15,000	171,616
6	15,001	20,000	108,500
10	20,001	25,000	223,577
6	25,001	30,000	175,500
5	30,001	35,000	162,626
1	35,001	40,000	35,500
2	40,001	45,000	89,631
5	45,001	50,000	250,000
1	50,001	55,000	50,500
1	55,001	60,000	60,000
2	60,001	65,000	130,000
1	65,001	70,000	69,500
1	70,001	75,000	73,000
1	75,001	80,000	78,180
1	80,001	85,000	83,500
2	85,001	90,000	180,000
1	90,001	95,000	94,573
3	95,001	100,000	300,000
1	105,001	110,000	110,000
1	125,001	130,000	126,000
1	140,001	145,000	144,000
1	185,001	190,000	190,000
1	250,001	255,000	253,500
1	275,001	280,000	277,500
1	325,001	330,000	325,500
1	355,001	360,000	356,996
1	385,001	390,000	386,600
1	520,001	525,000	521,220
1	605,001	610,000	608,440
1	650,001	655,000	653,000
1	695,001	700,000	698,549
1	770,001	775,000	770,500
1	935,001	940,000	937,380
1	1,555,001	1,560,000	1,556,798
1	2,755,001	2,760,000	2,755,830
1	3,055,001	3,060,000	3,059,000
1	4,195,001	4,200,000	4,200,000
557			21,000,000



CATEGORIES OF CERTIFICATE HOLDING AS AT JUNE 30, 2022

Directors, Chief Executive Officer, and their spouse and minor children (to be confirm by Company)

SNO.	FOLIO	NAME	HOLDING
1	03277-2535	ZARINA ISMAIL ZAKARIA	65,000
2	07112-14969	ZOHAIR ZAKARIA	770,500
TOTAL >>			835,500

Associated Companies, Undertakings and related Parties (to be confirm by Company)

SNO.	FOLIO	NAME	HOLDING
1	03277-48891	AL-NOOR MODARABA MANAGEMENT (PRIVATE) LIMITED	4,200,000
2	03277-5015	ZAIN TRADING CORPORATION (PVT) LTD.	2,755,830
3	03277-7330	RELIANCE INSURANCE COMPANY LTD.	521,220
TOTAL >>			7,477,050

Banks, Development Financial Institutions, Non Banking Financial Institutions

SNO.	FOLIO	NAME	HOLDING
1	83	PAK KUWAIT INVESTMENT CO.(PVT) LTD	100
2	604	INDUSTRIAL DEVELOPMENT BANK LIMITED	500
3	650	NATIONAL DEVELOP. FINANCE CORP. INVESTAR	2,400
4	03889-28	NATIONAL BANK OF PAKISTAN	580
TOTAL >>			3,580

Insurance Companies

SNO.	FOLIO	NAME	HOLDING
1	90	EFU GENERAL INSURANCE LIMITED	130
2	101	THE PREMIER INSURANCE COMPANY OF PAK LTD	500
3	02683-23	STATE LIFE INSURANCE CORP. OF PAKISTAN	386,600
TOTAL >>			387,230

Modarabas and Mutual Funds

SNO.	FOLIO	NAME	HOLDING
1	14902-21	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	608,440
TOTAL >>			608,440

Others

SNO.	FOLIO	NAME	HOLDING
1	86	SAUDI PAK INDUSTRIAL AND AGRICULTURAL	2,500
2	819	TRUST SECURITIES & BROKERAGE LTD.	100
3	898	ROGASA HOLDING	500
4	899	PAKISTAN SERVICES	500
5	900	R.A.MANAGEMENTS	500
6	901	O.A.MANAGEMENTS	500
7	902	O.A. INDUSTRIES	500
8	903	EBRAHIM GARMENT	500
9	00620-21	TAURUS SECURITIES LIMITED	500
10	03277-78335	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	94,573
11	03277-82127	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	3,319
12	03525-57191	SARFRAZ MAHMOOD (PRIVATE) LTD	605
13	03525-63474	PYRAMID INVESTMENTS (PVT) LTD.	525
14	03525-87235	MAPLE LEAF CAPITAL LIMITED	1
15	18432-1155	SALIM SOZER SECURITIES (PRIVATE) LIMITED	90,000
TOTAL >>			195,123



CATEGORIES OF SHAREHOLDING AS AT JUNE 30, 2022

S.No.	Shareholders Category	No. of Certificate Holders	No. of Certificates	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children (to be confirm by Company)	2	835,500	3.98
2	Associated Companies, Undertakings and related Parties (to be confirm by Company)	3	7,477,050	35.61
3	NIT and ICP	-	-	-
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	4	3,580	0.02
5	Insurance Companies	3	387,230	1.84
6	Modarabas and Mutual Funds	1	608,440	2.90
7	Share holders holding 10%	3	10,014,830	47.69
8	General Public :			
	a. local	529	11,493,077	54.73
	b .Foreign			
9	Others	15	195,123	0.93
Total (excluding : share holders holding 10%)		557	21,000,000	100.00

Shareholder Holding five percent or more Certificates

Name	No. of Certificate Holders	Holding	Holding %age
Al-Noor Modaraba Management (Private) Limited	1	4,200,000	20.00%
Masood Ahmed	1	3,128,500	14.90%
Zain Trading Corporation (Private) Limited	1	2,755,830	13.12%
Dinaz Cassim	1	1,556,798	7.41%



NOTICE OF ANNUAL REVIEW MEETING

Notice is hereby given to the certificate holders that Twenty Third (23rd) Annual Review Meeting of First Al-Noor Modaraba will be held on Thursday, October 27, 2022 at 03:45 p.m. at the Registered Office of the Company at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, physically and through Video Conference.

By order of the Board

Sd/-
Roofi Abdul Razzak
Company Secretary

Karachi : September 19, 2022

Notes:

1. The Share Transfer Book of the Modaraba will remain closed from Wednesday, October 26, 2022 to Tuesday, November 8, 2022 (both days inclusive) and no transfer will be accepted during this period. The transfers received in order at the office of the Share Registrar, M/s FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahr-e-Faisal, Karachi by the close of business on October 25, 2022 will be considered in time for the purpose of determination of their respective entitlement(s), if any, and eligibility to attend the Annual Review Meeting.
2. In view of the prevailing pandemic COVID-19 situation and in line with the directions issued to listed companies by the Securities & Exchange Commission of Pakistan (SECP), vide its Circular No.4 of 2021 dated February 15, 2021 and subsequent Circular No.6 of 2021 dated March 03, 2021, the Company has decided to hold Annual Review Meeting (ARM) physically as well as electronic means.

Special arrangement for attending the ARM through electronic means will be as under:

- a. ARM will be held through Zoom application - a video link facility
- b. Certificate holders interested in attending the ARM through Zoom application are hereby requested to get themselves registered with the Company Secretary Office by sending an e-mail with subject: "Registration for First Al-Noor Modaraba ARM" at the earliest but not later than 4:00 p.m. on Monday, October 26, 2022 on E-mail: company.secretary@fanm.co along with a valid copy of both sides of CNIC, with complete name, Folio/CDC Account Number, Registered Email address and cell number.

Upon receipt of the above information from the interested certificate holders, the Modaraba will send the login credentials at their e-mail address. On the date of ARM, certificate holders will be able to login and participate in the ARM proceedings through their smartphones/computer devices.

3. Members holding shares in physical form are requested to promptly notify Shares Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.
4. Pursuant to Notification vide SRO.787(1)/2014 of September 08, 2014, SECP has directed to facilitate the members of the company receiving Annual Financial Statements and Notices through electronic mail system (email). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Modaraba through e-mail in future. In this respect members are hereby requested to convey their consent via e-mail at company.secretary@fanm.co on a standard request form which is available at the Modaraba website i.e. www.fanm.co mentioning "Electronic FS" in the subject line. Please ensure that your e-mail has sufficient rights and space available to receive such e-mail which may be larger than 1 MB file in size. Further, it is the responsibility of the member to timely update the Shares Registrar of any change in the registered e-mail address.

5. Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its certificate holders only through electronic mode directly into bank account designated by the entitled certificate holders.

In order to receive dividends directly into their bank account, certificate holders are requested to fill in Electronic Credit Mandate Form available on Modaraba's website and send it duly signed along with a copy of CNIC to the Shres Registrar of the Company M/s FAMCO Associates (Private) Limited, in case of physical certificates.

In case, certificates are held in CDC then Electronic Credit Mandate Form must be submitted directly to certificate holder's broker/participant/CDC account services. No further action is required if IBAN has already been incorporated/updated in the CDC account or physical folio of the certificate holder.

6. As per Section 150 of the Income Tax Ordinance, 2001, withholding tax on dividend will be deducted for filers and non-filers of income at different rates as per directives. According to FBR, withholding tax in case of joint accounts will be determined separately based on the filer and non-filer status of the principal and joint shareholder(s) based on their holding proportions. Members who hold shares jointly, are requested to provide the certificate holding proportions of the principal and joint holder(s) to the Company's Shares Registrar in writing as follows. In case required information is not provided, it will be assumed that the certificates are held in equal proportion by the principal and joint holders.

Certificate holder name	Folio/CDS Account #	Total Shares	Principal shareholder		Joint Shareholders	
			Name and CNIC #	Proportion (No. of shares)	Name and CNIC #	Proportion (No. of shares)

To enable the company to make tax deduction on the amount of cash dividend applicable on filers, all the certificate holders whose names are not entered into the Active Tax-payers (ATL) provided on the website of FBR, are advised to make sure that their names are entered in ATL.

7. The valid exemption certificate is mandatory to claim exemption amount of withholding tax u/s 150 of the Income Tax Ordinance, 2001 (tax on dividend). The certificate holder(s) who fall in the above mentioned category and wish to avail exemption, must provide Valid Tax Exemption Certificate to our Share Registrars before book closure to avail tax exemption.
8. In case of those certificate holders who are non-residents, are requested to please provide their respective details including residence status/country of residence with copy of their NICOP to Share Registrars or by email to company.secretary@fanm.co before book closure. In case of non availability of status in their respective portfolio, the respective tax on dividends would be applicable.
9. Section 72 of the Companies Act, 2017 requires every company to replace its physical shares with book-entry form within the period to be notified by the SECP.

The certificate holders having physical holding are accordingly encourage to open their account with Investor Accounts Services of CDC or Sub Account with any of the brokers and convert their physical shares into scrip less form. This will facilitate the shareholders in many ways, including safe custody and sale of shares, any time they want., as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

10. Physical certificate holders are requested to notify any change in their addresses immediately and if applicable provide their non-deduction of Zakat Declaration Form to the Company's Shares Registrar.
11. (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 or whose securities are in physical form, shall authenticate his/her identity by showing his/her original Computerized National identity Card (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 (unless it has been provided earlier) at the time of meeting.



کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اپ لوڈ کی گئی ہیں یا جن کی سکیورٹیز جسمانی شکل میں ہیں، اس کی تصدیق کرے گا۔ میٹنگ میں شرکت کے وقت اس کا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (شناختی کارڈ نمبر) یا اصل پاسپورٹ دکھا کر اس کی شناخت کی جائے گی۔ کارپوریٹ ادارے کی صورت میں، میٹنگ کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی جس میں نامزد شخص کے دستخط کے نمونے کے ساتھ پیش کیا جائے گا (جب تک یہ پہلے فراہم نہ کیا گیا ہو)۔



فائلر اسٹیٹس کی بنیاد پر پرنسپل اور جوائنٹ شیئر ہولڈرز کے ہولڈنگ تناسب کی بنیاد پر کیا جائے گا۔ جو ممبران کے ساتھ مشترکہ طور پر شیئرز رکھتے ہیں، ان سے درخواست کی جاتی ہے کہ وہ کمپنی کے شیئرز رجسٹرار کو پرنسپل اور جوائنٹ ہولڈرز کے ہولڈنگ تناسب درج ذیل تحریری طور پر فراہم کریں۔ اگر مطلوبہ معلومات فراہم نہیں کی جاتی ہیں، تو یہ فرض کیا جائے گا کہ سٹوکیٹ پرنسپل اور جوائنٹ ہولڈرز کے پاس برابر کے تناسب سے ہیں۔

سٹوکیٹ ہولڈر کا نام	فولیا سی ڈی ایس اکاؤنٹ	کل شیئرز	پرنسپل شیئر ہولڈر	نام اور شہر
		نام اور شناختی کارڈ نمبر	کا تناسب نمبر	

کمپنی کو فائلرز پر لاگو فنڈ ڈیویڈنڈ کی رقم پر ٹیکس کٹوتی کرنے کے قابل بنانے کے لیے، تمام سٹوکیٹ ہولڈرز جن کے نام ایف بی آر کی ویب سائٹ پر فراہم کردہ ایکٹو ٹیکس پیئرز (ATL) میں درج نہیں کیے گئے ہیں، کو مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ ان کے ATL میں نام درج ہیں۔

7۔ انکم ٹیکس آرڈیننس، 2001 (ڈیویڈنڈ پر ٹیکس) کے تحت 150 وڈ ہولڈنگ ٹیکس کی چھوٹ کی رقم کا دعویٰ کرنے کے لیے درست اسٹشنی کا سٹوکیٹ لازمی ہے۔ سٹوکیٹ ہولڈرز جو مذکورہ زمرے میں آتے ہیں اور اسٹشنی حاصل کرنا چاہتے ہیں، انہیں ٹیکس چھوٹ حاصل کرنے کے لیے بک بند ہونے سے پہلے ہمارے شیئر رجسٹرار کو درست ٹیکس اسٹشنی کا سٹوکیٹ فراہم کرنا چاہیے۔

8۔ ان سٹوکیٹ ہولڈرز کی صورت میں جو غیر رہائشی ہیں، ان سے درخواست کی جاتی ہے کہ براہ کرم اپنی متعلقہ تفصیلات بشمول رہائش کی حیثیت/مقامی ملک کے ساتھ اپنے NICOP کی کاپی رجسٹراروں کو شیئر کریں یا بک سے پہلے company.secretary@fanm.co پر ای میل کریں۔ بندش۔ ان کے متعلقہ پورٹ فولیو میں اسٹیٹس کی عدم دستیابی کی صورت میں، ڈیویڈنڈز پر متعلقہ ٹیکس لاگو ہوگا۔

9۔ کمپنیز ایکٹ، 2017 کا سیکشن 72 ہر شیئر ہولڈر سے مطالبہ کرتا ہے کہ وہ اپنے فزیکل شیئرز کو ایس ای سی پی کی طرف سے مطلع کرنے کی مدت کے اندر بک انٹری فارم میں بدل لے۔

اس کے مطابق فزیکل ہولڈنگ رکھنے والے سٹوکیٹ ہولڈرز کو حوصلہ افزائی کی جاتی ہے کہ وہ سی ڈی سی کی انویسٹر اکاؤنٹس سروسز کے ساتھ اپنا اکاؤنٹ کھولیں یا کسی بھی بروکر کے ساتھ سب اکاؤنٹ کھولیں اور اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کریں۔ یہ حصص یافتگان کو کئی طریقوں سے سہولت فراہم کرے گا، بشمول حصص کی محفوظ تحویل اور فروخت میں۔

10۔ فزیکل سٹوکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے پتوں میں کسی بھی قسم کی تبدیلی کو فوری طور پر مطلع کریں اور اگر قابل اطلاق ہو تو وہ کمپنی کے شیئرز رجسٹرار کو ڈیٹیکریشن فارم کی عدم کٹوتی فراہم کریں۔

11۔ (i) افراد کے معاملے میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان

ساتھ۔

دچپی رکھنے والے سٹوکیٹ ہولڈرز سے مندرجہ بالا معلومات کی وصولی پر، مضاربہ لاگ ان کی اسناد ان کے ای میل ایڈریس پر بھیجے گا۔ اے آرایم کی تاریخ پر، سٹوکیٹ ہولڈر اپنے اسمارٹ فونز/کمپیوٹر ڈیوائسز کے ذریعے لاگ ان اور اے آرایم کی کارروائی میں حصہ لے سکیں گے۔

3۔ فزیکل شکل میں حصص رکھنے والے ممبران سے درخواست کی جاتی ہے کہ وہ اپنے پتوں میں کسی تبدیلی کے بارے میں کمپنی کے شیئرز رجسٹر اوفیسی طور پر مطلع کریں۔ حصص یافتگان جو اپنے حصص کو الیکٹرانک شکل میں برقرار رکھتے ہیں ان کا پتہ اپنے شریک یا سی ڈی سی انویسٹر کا وٹس سروس کے ساتھ اپ ڈیٹ کرنا چاہیے۔

4-SRO.787(1)/2014 کے 08 ستمبر 2014 کے نوٹیفکیشن کے مطابق، SECP نے کمپنی کے ممبران کو الیکٹرانک میل سسٹم (ای میل) کے ذریعے سالانہ مالیاتی گوشوارے اور نوٹس وصول کرنے میں سہولت فراہم کرنے کی ہدایت کی ہے۔ ہمیں یہ سہولت اپنے ممبران کو پیش کرتے ہوئے خوشی ہو رہی ہے جو مستقبل میں ای میل کے ذریعے مضاربہ کے سالانہ مالیاتی گوشوارے اور نوٹس وصول کرنا چاہتے ہیں۔ اس سلسلے میں اراکین سے درخواست کی جاتی ہے کہ وہ ایک معیاری درخواست فارم پر company.secretary@fanm.co پر ای میل کے ذریعے اپنی رضامندی ظاہر کریں جو کہ مضاربہ کی ویب سائٹ پر دستیاب ہے یعنی www.fanm.co موضوع کی لائن میں "الیکٹرانک FS" کا ذکر کرتے ہوئے براہ کرم یقینی بنائیں کہ آپ کے ای میل میں ایسی ای میل وصول کرنے کے لیے کافی حقوق اور جگہ موجود ہے جس کا سائز MB1 فائل سے زیادہ ہو سکتا ہے۔ مزید یہ کہ ممبر کی ذمہ داری ہے کہ وہ کسی بھی تبدیلی کی بروقت شیئرز رجسٹر اوف اپ ڈیٹ کرے۔ رجسٹر ڈی میل ایڈریس۔

5۔ کمپنیز ایکٹ، 2017 کے سیکشن 242 کی دفعات کے تحت، ایک لسٹڈ کمپنی کے لیے لازمی ہے کہ وہ اپنے سٹوکیٹ ہولڈرز کو نقد ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار سٹوکیٹ ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کرے۔

براہ راست اپنے بینک اکاؤنٹ میں ڈیویڈنڈ حاصل کرنے کے لیے، سٹوکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ مضاربہ کی ویب سائٹ پر دستیاب الیکٹرانک کریڈٹ مینڈیٹ فارم کو پُر کریں اور اسے قومی شناختی کارڈ کی ایک کاپی کے ساتھ دستخط شدہ کمپنی میسر شیئرز رجسٹر اوفیس (پرائیوٹ) لمیٹڈ کو بھیجیں، اگر سٹوکیٹ فزیکل صورت میں ہے۔

اگر سٹوکیٹ CDC میں رکھے گئے ہیں تو پھر الیکٹرانک کریڈٹ مینڈیٹ فارم براہ راست سٹوکیٹ ہولڈر کے بروکر/شرکت کنندہ/CDC اکاؤنٹ میں جمع کرائیں۔ اگر IBAN پہلے ہی CDC اکاؤنٹ یا سٹوکیٹ ہولڈر کے فزیکل فولیو میں شامل/اپ ڈیٹ ہو چکا ہے تو مزید کارروائی کی ضرورت نہیں ہے۔

6۔ انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے مطابق، ڈیویڈنڈ پر وہ ہولڈنگ ٹیکس فائلز اور نان فائلز کے لیے ہدایت کے مطابق مختلف شرحوں پر کاٹا جائے گا۔ ایف بی آر کے مطابق مشترکہ کھاتوں کی صورت میں وہ ہولڈنگ ٹیکس کا تعین الگ الگ فائلز اور نان

سالانہ جائزہ اجلاس کا نوٹس

ٹھٹھکیٹ ہولڈرز کو اطلاع دی جاتی ہے کہ پہلا انور مضاربہ کا تینواں (23rd) سالانہ جائزہ اجلاس جمعرات 27 اکتوبر 2022 کو دوپہر 03:45 بجے منعقد ہوگا۔ کمپنی کے رجسٹرڈ آفس A-96، سندھی مسلم کوآپریٹو ہاؤسنگ سوسائٹی، کراچی میں ویڈیو کانفرنس کے ذریعے ہوگا۔

بورڈ کے حکم سے

رونی عبدالرزاق
کمپنی سیکریٹری

کراچی: ستمبر 19، 2022

نوٹس

- 1۔ مضاربہ کی شیئر ٹرانسفر بک بدھ، 26 اکتوبر 2022 سے منگل، 8 نومبر، 2022 تک بند رہے گی (دونوں دن سمیت) اور اس مدت کے دوران کوئی منتقلی قبول نہیں کی جائے گی۔ شیئر رجسٹرار، میسرز فیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، F-8، نزد ہوٹل فاران، نرسری، بلاک-6، P.E.C.H.S، شاہراہ فیصل، کراچی میں ترتیب سے موصول ہونے والی منتقلی 25 اکتوبر 2022 کو ہونے والے کاروبار کو ان کے متعلقہ حقداروں، اگر کوئی ہے، اور سالانہ جائزہ اجلاس میں شرکت کی اہلیت کے تعین کے لیے وقت پر تصور کیا جائے گا۔
- 2۔ موجودہ وبائی مرض COVID-19 کی صورت حال کے پیش نظر اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے درج کمپنیوں کو جاری کردہ ہدایات کے مطابق، اس کے 15 فروری 2022 کو 2021 کے سرکلر نمبر 4 اور اس کے بعد کے سرکلر کے ذریعے نمبر 6 آف 2021 مورخہ 03 مارچ 2021، کمپنی نے جسمانی طور پر اور الیکٹرانک ذرائع سے سالانہ جائزہ اجلاس (ARM) منعقد کرنے کا فیصلہ کیا ہے۔

الیکٹرانک ذرائع سے اے آر ایم میں شرکت کا خصوصی انتظام حسب ذیل ہوگا۔

- ا۔ اے آر ایم زوم ایپلیکیشن کے ذریعے منعقد کیا جائے گا۔ ایک ویڈیو لنک کی سہولت
- ب۔ زوم ایپلیکیشن کے ذریعے اے آر ایم میں شرکت کرنے میں دلچسپی رکھنے والے ٹھٹھکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ کمپنی سیکریٹری آفس کے ساتھ ایک ای میل بھیج کر اپنے آپ کو رجسٹر کرائیں جس کے مضمون: "پہلے انور مضاربہ اے آر ایم کے لیے رجسٹریشن" جلد از جلد لیکن بعد میں 4:00pm منگل 26 اکتوبر 2021 کو ای میل: company.secretary@fanm.co پر قومی شناختی کارڈ کے دونوں اطراف کی درست کاپی کے ساتھ، مکمل نام، فوٹیو/سی ڈی سی اکاؤنٹ نمبر، رجسٹرڈ ای میل پتہ اور سیل نمبر کے



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