



**HALF YEARLY REPORT**  
**(UN-AUDITED)**  
**DECEMBER, 2024**

**FIRST IBL**  
**MODARABA**

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# Corporate Information

<b>Modaraba Management Company</b>	<b>IBL Modaraba Management (Pvt.) Limited</b>	
<b>Board of Directors</b>	<b>Mr. Ibrahim Hasan Murad</b> <b>Mr. Salman Ahmad</b> <b>Ms. Faiza Jabeen</b> <b>Mr. Muhammad Ibrahim Qazi</b>	<b>Chairman</b> <b>Independent Director</b> <b>Female director</b> <b>Chief Executive</b>
<b>Company Secretary</b>	<b>Mr. Hassan Fareed</b>	
<b>Chief Financial Officer</b>	<b>Mr. Muhammad Ibrahim Butt</b>	
<b>Shari'ah Advisor</b>	<b>Dr. Salman Ahmed Khan</b>	
<b>Legal Advisor</b>	<b>M/s. Holscott International [Legal services]</b>	
<b>Bankers</b>	<b>Meezan Bank Limited</b> <b>MCB Islamic Bank Limited</b> <b>The Bank of Punjab – Taqwa</b>	
<b>Auditors to the Modaraba</b>	<b>Rizwan &amp; Company</b> <b>Chartered Accountants</b>	
<b>Share Registrar</b>	<b>Corp Tec Associates (Pvt.) Limited</b> <b>503 E, Johar Town, Lahore.</b> <b>Telephone No. 042-35170335 - 37</b>	
<b>Registered/ Principal Office</b>	<b>Office No.4-L, Main Ferozepur Road,</b> <b>Gulberg3, Lahore.</b> <b>Telephone No. 042-35969435 &amp; 36</b> <b><a href="http://www.firstibl.com">www.firstibl.com</a></b>	

## **DIRECTOR'S REPORT**

The Board of Directors of M/s. IBL Modaraba Management (Private) Limited, the Management Company of First IBL Modaraba, is pleased to present the Half Yearly Reviewed (un-audited) results of the First IBL Modaraba for the period ended December 31, 2024 along with Directors' Report to its certificate holders.

### **ECONOMIC REVIEW**

The previous fiscal year ended on a more stable note, with easing pressures on domestic prices, exchange rate volatility, fiscal deficits, and business conditions. However, persistent challenges stemming from historically high energy and food costs continue to strain household budgets. Since the onset of the 2024-25 fiscal year, tentative signs of economic revival have surfaced, spurred by government measures focused on near-term stabilization and recovery efforts.

Pakistan's economic prospects now show cautious optimism, buoyed by stronger business confidence. Key indicators such as a healthier current account balance, a rebound in home remittances. The gradual appreciation of the Pakistani rupee against the US dollar, falling fuel costs, and a bullish trend in the Pakistan Stock Exchange reflect this positive shift. The administration's push to expedite its privatization drive has further bolstered market sentiment. Nevertheless, maintaining the durability of these improvements remains critical to achieving lasting economic stability and weathering future uncertainties.

### **MODARABA'S PERFORMANCE**

I am gratified to share that your Modaraba delivered resilient performance amid challenging market conditions during the reporting period ending December 31, 2024. All key performance metrics showed positive growth compared to the same period last year.

Core business operations primarily Ijarah and Musharaka generated income of Rs.10.969 million, contributing to an aggregate income of Rs. 25.199 million. Notably, disciplined cost management efforts enabled a reduction in operating expenses, underscoring our commitment to operational efficiency.

The total assets of Modaraba during the period amounted to Rs. 249.389 million, compared to Rs. 241.816 million as reported in the audited financial statements for the period ended June 30, 2024. Similarly, the total liabilities stood at Rs. 30.914 million, as opposed to Rs. 31.156 million reported in the audited financial statements for the same period.

The Modaraba management is striving to invest its funds in more secure and income generating financing options in order to enhance the profitability of the Modaraba.

Finally the board appreciates the dedication and hard work put in by the management and staff of First IBL Modaraba.

For & on behalf of the Board,



**Muhammad Ibrahim Qazi**  
**Chief Executive Officer**  
**February 19, 2025.**

# ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ جو کہ منرسٹ آئی بی ایل مضاربہ کی مینجمنٹ کمپنی ہے۔ منرسٹ آئی بی ایل مضاربہ کے ششماہی جائزہ (غیر آڈٹ شدہ) 31 دسمبر 2024 ختم ہونے والی مدت کے نتائج ہمہ ڈائریکٹرز رپورٹ اپنے سرٹیفکیٹ ہولڈرز کو پیش کرنے پر خوشی محسوس کرتا ہے۔

## اقتصادی جائزہ

گزشتہ مالی سال کا اختتام زیادہ مستحکم نوٹ پر ہوا، جس میں گھریلو قیمتوں، شرح تبادلہ میں اتار چڑھاؤ، مالی خسارے اور کاروباری حالات پر دباؤ میں کمی آئی۔ تاہم، تاریخی طور پر اعلیٰ توانائی اور خوراک کی لاگت سے پیدا ہونے والے مستقل چیلنجوں نے گھریلو بجٹ پر دباؤ برقرار رکھا ہے۔ مالی سال 2024-25 کے آغاز کے بعد سے، معاشی بحالی کے عارضی اشارے سامنے آئے ہیں، جس کی وجہ سے قریب مدتی استحکام اور بحالی کی کوششوں پر توجہ مرکوز کرنے والے حکومتی اقدامات ہیں۔

مضبوط کاروباری اعتماد کی وجہ سے پاکستان کے اقتصادی امکانات اب محتاط امید کا اظہار کرتے ہیں۔ صحت مند کرنٹ اکاؤنٹ بیلنس، گھریلو ترسیلات زر میں واپسی جیسے اہم اشارے۔ امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں بتدریج اضافہ، ایندھن کی قیمتوں میں کمی اور پاکستان اسٹاک ایکسچینج میں تیزی کا رجحان اس مثبت تبدیلی کی عکاسی کرتا ہے۔ انتظامیہ کی نجکاری کی مہم کو تیز کرنے پر زور دینے سے مارکیٹ کے جذبات کو مزید تقویت ملی ہے۔

## مضاربہ کی کارکردگی

مجھے یہ بتاتے ہوئے خوشی ہو رہی ہے کہ 31 دسمبر 2024 کو ختم ہونے والی رپورٹنگ مدت کے دوران آپ کے مضاربہ نے مارکیٹ کے چیلنجنگ حالات کے باوجود لحیکدار کارکردگی کا مظاہرہ کیا۔ پچھلے سال کے اسی عرصے کے مقابلے میں تمام کلیدی کارکردگی میٹرکس نے مثبت نمونہ پر کی۔ بنیادی کاروباری آپریشنز میں بنیادی طور پر احبارہ اور مشارکہ نے 10.969 ملین روپے کی آمدنی حاصل کی، جس سے مجموعی آمدنی 25.199 ملین روپے رہی۔ قابل ذکر بات یہ ہے کہ نظم و ضبط سے چلنے والی لاگت کے انتظام کی کوششوں نے آپریٹنگ اخراجات میں کمی کو ممکن بنایا، جس سے آپریشنل کارکردگی کے لئے ہمارے عزم کی نشاندہی ہوتی ہے۔

30 جون 2024ء کو ختم ہونے والی مدت کے آڈٹ شدہ مالیاتی گوشواروں کے مطابق 241.816 ملین روپے کے مقابلے میں اس عرصے کے دوران مداربا کے کل اثاثوں کی مالیت 249.389 ملین روپے رہی۔ اسی طرح مجموعی واجبات 30.914 ملین روپے رہے جبکہ اسی عرصے کے آڈٹ شدہ مالیاتی گوشواروں میں 31.156 ملین روپے رہی۔

مضاربہ انتظامیہ اپنے فنڈز کو زیادہ محفوظ اور آمدنی پیدا کرنے والے فنانسنگ آپشنز میں سرمایہ کاری کرنے کی کوشش کر رہی ہے تاکہ مضاربہ کے منافع میں اضافہ کیا جاسکے۔

بورڈ، منرسٹ آئی بی ایل مضاربہ کی ٹیم کو مضاربہ کی ترقی کے لئے ان کی لگن اور محنت کو سراہتا ہے۔

(۸)

محمد ابراہیم متاضی

چیف ایگزیکٹو

19 مئی 2025

## Independent Auditor's Review Report

To the Certificate holders of First IBL Modaraba

### Report on review of interim financial statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of First IBL Modaraba (the Modaraba) as at December 31, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Modaraba Management Company is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

#### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 as applicable in Pakistan. We are independent of the Modaraba in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the review evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

#### Other matter

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended September 30, 2024 and September 30, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

The engagement partner on the review resulting in this independent auditor's report is Imran Bashir.

Lahore: **19 FEB 2025**  
UDIN: RR202410140yxWfkYmM5



**Rizwan & Company**  
Chartered Accountants



## **SHARI'AH ADVISOR'S REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

I have conducted the Shari'ah review of First IBL Modaraba (FIBLM) for the half year ended December 31, 2024 in accordance with requirement of the Shari'ah Compliance and Shari'ah Audit Mechanism for Modaraba.

I acknowledge and certify that as Sharia Advisor of the Modaraba, the financial arrangements, contracts and transactions entered into by the company with its customers, stake holders and participants are in compliance with the requirements of Sharia rules and principles.

During the review I have verified the following in compliance with Shari'ah mechanism:

- The transactions of Ijarah and Musharakah were reviewed on random selection basis.
- Sharia Compliance Checklists (SCC) of transactions was also reviewed on random basis.
- During the period, credit approvals, customer-specific transaction process flows, text of documents and security documents were reviewed to ensure Shari'ah compliance while offering financing products to the customers.
- Other related documents and procedures followed by different functional areas were found proper.
- During the period onsite training has been given to the staff.
- There is no receipt of charity during the financial year accordingly no amount was credited into charity account.

### **Conclusion**

In this context of detailed Shari'ah review carried by the undersigned for the half year ended December 31, 2024, transactions during the period executed by FIBLM were found satisfactory as required by Shari'ah Audit Mechanism.



**Dr. Mufti Salman Ahmad Khan**

Shari'ah Advisor

February 12, 2025

Certificate No. 202412



**First IBL Modaraba**  
**Condensed Interim Statement of Financial Position (Un-audited)**  
**As at December 31, 2024**

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	Rupees	
<b>Assets</b>			
<b>Current assets</b>			
Cash and bank balances	4	123,684,576	106,248,946
Short term investments	5	3,562,030	1,918,105
Ijarah rentals receivable	6	1,803,970	484,497
Short term Musharakah receivables	7	-	44,000,000
Advances, prepayments and other receivables		1,853,505	6,788,048
Advance income tax		2,988,351	2,536,505
Current portion of long term Musharakah receivables	8	19,165,085	20,557,040
<b>Total current assets</b>		<b>153,057,517</b>	<b>182,533,141</b>
<b>Non-current assets</b>			
Long term Musharakah receivables	8	34,879,973	4,748,314
Long term advances and deposits		20,500	20,500
Deferred tax asset		-	2,027,989
Investment property	9	39,583,480	42,083,494
Fixed assets under Ijarah arrangements	10	21,811,931	10,323,877
Fixed assets under own use	11	35,883	79,162
<b>Total non-current assets</b>		<b>96,331,767</b>	<b>59,283,336</b>
<b>Total assets</b>		<b>249,389,284</b>	<b>241,816,477</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	4,900,009	4,685,071
Musharaka finances		700,000	700,000
Current portion of long term security deposits		7,487,949	3,205,350
Provision for levies		1,317,823	-
Income tax payable		426,280	11,109,714
Unclaimed dividend		10,834,598	10,834,598
<b>Total current liabilities</b>		<b>25,666,659</b>	<b>30,534,733</b>
<b>Non-current liabilities</b>			
Long term security deposits		1,100,000	621,800
Deferred taxation		4,147,701	-
		5,247,701	621,800
<b>Total liabilities</b>		<b>30,914,360</b>	<b>31,156,533</b>
<b>Net assets</b>		<b>218,474,924</b>	<b>210,659,944</b>
<b>Represented by:</b>			
<b>Capital and reserves</b>			
Certificate capital		216,875,000	216,875,000
Statutory reserve		51,251,249	49,686,655
Fair value reserve		1,740,804	1,748,795
Accumulated loss		(51,392,129)	(57,650,506)
		<b>218,474,924</b>	<b>210,659,944</b>


**Contingencies and commitments**

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The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For IBL Modaraba Management (Private) Limited  
(Modaraba Management Company)

  
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer



**First IBL Modaraba**
**Condensed interim statement of profit or loss and other comprehensive income (Un-audited)**
**For the half year and quarter ended December 31, 2024**

		Half year ended December 31,		Quarter ended December 31,	
		2024	2023	2024	2023
Note		Rupees			
<b>Income from operations</b>					
Income from Ijarah		8,725,095	7,845,977	4,588,400	3,819,577
Profit on Musharakah investments		1,971,870	10,983,211	860,004	5,566,728
		10,696,965	18,829,188	5,448,404	9,386,305
<b>Other income</b>					
Profit on deposits		10,681,135	3,072,299	5,237,674	1,474,443
Income from investment property		3,747,720	3,747,720	1,873,860	1,873,860
Other income		73,808	4,112	73,808	4,607
		14,502,663	6,824,131	7,185,342	3,352,910
<b>Total income</b>		<b>25,199,628</b>	<b>25,653,319</b>	<b>12,633,746</b>	<b>12,739,215</b>
<b>Expenses</b>					
Administrative expenses		(7,312,959)	(7,958,083)	(3,980,620)	(4,123,794)
Depreciation on assets under Ijarah		(6,517,327)	(5,673,861)	(3,471,076)	(2,709,441)
Unrealized gain on re-measurement of investments		258,424	98,865	258,424	98,865
		(13,571,862)	(13,533,079)	(7,193,272)	(6,734,370)
<b>Operating profit</b>		<b>11,627,766</b>	<b>12,120,240</b>	<b>5,440,474</b>	<b>6,004,845</b>
Modaraba Management Company's fee		(1,162,777)	(1,212,024)	(544,048)	(598,663)
Worker's welfare fund		(205,196)	(242,405)	(93,825)	(119,733)
<b>Profit before levies and income tax</b>		<b>10,259,793</b>	<b>10,665,811</b>	<b>4,802,601</b>	<b>5,286,449</b>
<b>Provisions for levies</b>	14	<b>(1,744,103)</b>	<b>(1,813,188)</b>	<b>(1,548,190)</b>	<b>(1,619,203)</b>
<b>Profit before income tax</b>		<b>8,515,690</b>	<b>8,852,623</b>	<b>3,254,411</b>	<b>3,667,246</b>
<b>Income tax expense</b>	15	<b>(692,719)</b>	<b>(418,905)</b>	<b>(692,719)</b>	<b>-</b>
<b>Profit after taxation for the period</b>		<b>7,822,971</b>	<b>8,433,718</b>	<b>2,561,692</b>	<b>3,667,246</b>
<b>Other comprehensive income</b>					
<b>Items that will not be subsequently reclassified in profit or loss:</b>					
Unrealized gain on re-measurement of investments through OCI		1,385,500	385,153	1,385,500	590,121
Related deferred tax		(401,795)	(57,773)	(401,795)	(171,135)
		983,705	327,380	983,705	418,986
<b>Total comprehensive income for the period</b>		<b>8,806,676</b>	<b>8,761,098</b>	<b>3,545,397</b>	<b>4,086,232</b>
<b>Earnings per Certificate - Basic and Diluted</b>	16	<b>0.36</b>	<b>0.39</b>	<b>0.12</b>	<b>0.17</b>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

**For IBL Modaraba Management (Private) Limited**

(Modaraba Management Company)



Chief Executive



Director



Director



Chief Financial Officer

**First IBL Modaraba**  
**Condensed Interim Statement of Changes in Equity (Un-audited)**  
**For the half year ended December 31, 2024**

	Certificate capital	Statutory reserve	Fair value reserve	Accumulated loss	Total equity
	Rupees				
Balance as at June 30, 2023	216,875,000	47,395,690	1,336,131	(66,814,365)	198,792,456
Profit for the period	-	-	327,380	9,271,528	9,598,908
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	327,380	9,271,528	9,598,908
Transferred to statutory reserve	-	1,854,306	-	(1,854,306)	-
Balance as at December 31, 2023	216,875,000	49,249,996	1,663,511	(59,397,143)	208,391,364
<b>Balance as at June 30, 2024</b>	<b>216,875,000</b>	<b>49,686,655</b>	<b>1,748,795</b>	<b>(57,650,506)</b>	<b>210,659,944</b>
Profit for the period	-	-	-	7,822,971	7,822,971
Other comprehensive income for the period	-	-	983,705	-	983,705
Total comprehensive income for the period	-	-	983,705	7,822,971	8,806,676
Transferred to statutory reserve	-	1,564,594	-	(1,564,594)	-
Adjustments/transfers	-	-	(991,696)	-	(991,696)
Balance as at December 31, 2024	216,875,000	51,251,249	1,740,804	(51,392,129)	218,474,924

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

**For IBL Modaraba Management (Private) Limited**  
(Modaraba Management Company)



Chief Executive



Director



Director



Chief Financial Officer

**First IBL Modaraba**  
**Condensed Interim Statement of Cash Flows (Un-audited)**  
**For the half year ended December 31, 2024**

	Note	Half year ended December 31,	
		2024	2023
		Rupees	
<b>Cash flows from operating activities</b>			
Profit before levies and income tax		10,259,793	10,665,811
<b>Adjustments for non-cash charges / items:</b>			
Depreciation of fixed assets under own use	11	43,279	99,900
Depreciation of investment property	9	2,500,014	2,500,014
Depreciation of fixed assets under Ijarah arrangements	10	6,517,327	5,673,861
Revaluation gain on investment at fair value through profit or loss		(258,424)	(98,865)
Gain on termination of Ijarah arrangements		(70,683)	(988)
Profit on bank deposits		(10,681,135)	(3,072,299)
<b>Operating cash flows before working capital changes</b>		8,310,171	15,767,434
<b>Effect on cash flows due to working capital changes:</b>			
<b>(Increase) / decrease in operating assets</b>			
Advances, prepayments and other receivables		4,934,543	(6,676,831)
Ijarah rentals receivables - net		(1,319,473)	(407,518)
<b>Increase / (decrease) in operating liabilities</b>			
Security deposits against Ijarah assets		4,760,799	(91,106)
Trade and other payables		214,938	1,497,713
<b>Cash used in working capital changes</b>		8,590,807	(5,677,742)
<b>Cash generated from operating activities</b>		16,900,978	10,089,692
Income tax / levies paid		(7,472,080)	(2,260,140)
Profit received on bank deposits		10,681,135	3,072,299
<b>Net cash generated from operating activities</b>		20,110,033	10,901,851
<b>Cash flows from investing activities</b>			
Purchase of assets under Ijarah arrangements	10	(19,879,299)	(2,709,400)
Long term Musharakah receivables		(28,739,704)	17,383,693
Short term Musharakah receivables		44,000,000	(60,000,000)
Proceeds from disposal of assets on termination / completion of Ijarah		1,944,600	724,360
<b>Net cash (used in) investing activities</b>		(2,674,403)	(44,601,347)
<b>Cash flow from financing activities</b>		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		17,435,630	(33,699,496)
Cash and cash equivalents at the beginning of the period		106,248,946	82,104,089
<b>Cash and cash equivalents at the end of the period</b>	4	123,684,576	48,404,593

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

**For IBL Modaraba Management (Private) Limited**  
(Modaraba Management Company)

(s)   
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

**First IBL Modaraba**  
**Notes the Condensed Interim Financial Statements (Un-audited)**  
**For the half year ended December 31, 2024**

**1 Legal Status and Nature of Business**

First IBL Modaraba ("the Modaraba") is a multi purpose, perpetual and multi dimensional Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and rules framed thereunder, having its registered office at 4-L, Main Ferozepur Road, Gulberg III, Lahore. The Modaraba is managed by IBL Modaraba Management (Private) Limited (Modaraba Management Company) incorporated in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017) and registered with the Registrar of Modaraba Companies and Modarabas. The Modaraba is domiciled in Pakistan and its certificates are listed on Pakistan Stock Exchange Limited (PSX). The Modaraba commenced its operations on October 19, 1989 and is currently engaged in various Islamic modes of financing and operations including Ijarah, Musharaka and Murabahah arrangements.

**2 Basis of Preparation**

**2.1 Statement of compliance**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017; and
- Requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations, 2021.

Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021, Islamic Financial Accounting Standards (IFAS), the Companies Act, 2017 and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017 differ from IAS 34, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021, IFAS, the Companies Act, 2017 and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017 have been followed.

**2.2** The disclosure made in these financial statements are based on the requirements of the International Accounting Standard 34 "Interim Financial Reporting". These condensed interim financial statements does not include all the disclosures required for a full set of financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2024.

**2.3** The comparative statement of financial position is extracted from audited financial statements for the year ended June 30, 2024; whereas, comparative statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity are extracted from unaudited interim financial statements for the half year ended on December 31, 2023.

**2.4** These condensed interim financial statements have been prepared under the historical cost convention, except for investments that are measured at fair value.

**2.5** These condensed interim financial statements are being submitted to certificate holders as required under the Rule 10 of the Modaraba Companies and Modaraba Rules, 1981. The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 and the notes forming part thereof have not been reviewed by the auditors of the Modaraba, as they have reviewed the accumulated figures for the six months period ended December 31, 2024 and December 31, 2023.

- 2.6** These condensed interim financial statements are unaudited; however, a limited scope review has been performed by the external auditors as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and should be read in conjunction with audited annual financial statements of the Modaraba for the year ended June 30, 2024.
- 2.7** The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Modaraba for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Modaraba's financial position and performance since the last annual financial statements.
- 2.8** These condensed interim financial statements (un-audited) are presented in Pak Rupees, which is the Modaraba's functional and presentation currency. All the (un-audited) figures have been rounded off to the nearest rupees, unless otherwise stated.

**3 Material Accounting Policies Information**

The Modaraba's accounting and financial risk management policies and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the preparation of preceding annual published financial statements of the Modaraba for the year ended June 30, 2024.

**3.1 New standards, amendments and interpretation to published approved accounting and reporting standards which are effective during the half year ended December 31, 2024**

There are certain amendments and interpretation to approved accounting and reporting standards which are mandatory for the Modaraba's annual accounting period which began on July 01, 2024. However, these do not have any significant impact on the Modaraba's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

**3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective**

There are certain other now and amended standards, Interpretations and amendments that are mandatory for the Modaraba's accounting periods beginning on or after July 01, 2025 but are considered not to be relevant or will not have any significant effect on the Modaraba's operations and are, therefore, not detailed in these interim financial statements.

**3.3 Financial risk management policies**

The financial risk management objectives and policies adopted by the Modaraba are consistent with those disclosed in the annual published audited financial statements of the Modaraba for the year ended June 30, 2024.

		<b>December 31, 2024 (Un-audited)</b>	<b>June 30, 2024 (Audited)</b>
	<b>Note</b>	<b>Rupees</b>	
<b>4 Cash and bank balances</b>			
Cash in hand		<b>1,478</b>	-
Cash at bank in:			
- Current accounts		<b>355,150</b>	355,150
- Saving accounts		<b>123,327,948</b>	105,893,796
		<b>123,683,098</b>	106,248,946
		<b>123,684,576</b>	106,248,946
	<b>Note</b>	<b>December 31, 2024 (Un-audited)</b>	<b>June 30, 2024 (Audited)</b>
		<b>Rupees</b>	
<b>5 Short term investments</b>			
- At fair value through OCI	<b>5.1</b>	<b>3,057,230</b>	1,671,730
- At fair value through profit or loss	<b>5.2</b>	<b>504,800</b>	246,375
		<b>3,562,030</b>	1,918,105

**5.1 - At fair value through OCI**

Name of Investee	Market Value	
	December 31, 2024	June 30, 2024
	(Un-audited)	(Audited)
	Number of Scripts	Rupees
The Searle Company Limited	29,267	29,267
	3,057,230	1,671,730

**5.2 - At fair value through profit or loss**

Name of Investee	Market Value	
	December 31, 2024	June 30, 2024
	(Un-audited)	(Audited)
	Number of Scripts	Rupees
IBL HealthCare Limited	339	339
Attock Refinery Limited	250	250
First Punjab Modaraba	100,000	100,000
	100,589	100,589
	504,800	246,375

**6 Ijarah rentals receivable**

Considered good	6.1	1,803,970	484,497
Considered doubtful		3,004,088	3,004,088
		4,808,058	3,488,585
Less: Allowance for expected credit losses		(3,004,088)	(3,004,088)
		1,803,970	484,497

**6.1** These represent rentals receivable against assets leased out under Ijarah arrangements.

December 31, 2024	June 30, 2024
(Un-audited)	(Audited)
Rupees	

**7 Short term Musharakah receivables**

Short term Musharakah receivables - unsecured	-	44,000,000
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**7.1** This represented Musharakah finance provided to customers for business activities for a period of one year. The effective rate of profit on this finance was Nil (June 30, 2024: 22% to 24%) per annum. This finance was secured by way of equitable mortgage of the property.

December 31, 2024	June 30, 2024
(Un-audited)	(Audited)
Rupees	

**8 Long term Musharakah receivables**

Considered good	54,045,058	25,305,354
Considered doubtful	6,093,971	6,093,971
Less: Allowance for expected credit losses	(6,093,971)	(6,093,971)
	-	-
	54,045,058	25,305,354
	(19,165,085)	(20,557,040)
	34,879,973	4,748,314

December 31, 2024	June 30, 2024
(Un-audited)	(Audited)
Rupees	

**9 Investment property**

<b>Cost</b>		
Opening balance	100,000,465	100,000,465
Additions during the period / year	-	-
Closing balance	100,000,465	100,000,465

<b>Accumulated Depreciation</b>			
	Opening balance	(57,916,971)	(52,916,943)
	Charged during the period / year	(2,500,014)	(5,000,028)
	Closing balance	(60,416,985)	(57,916,971)
<b>Carrying value</b>		<b>39,583,480</b>	<b>42,083,494</b>
<b>Depreciation rate</b>		<b>5%</b>	<b>5%</b>
<b>10</b>	<b>Fixed assets under Ijarah arrangements</b>		
	Opening balance	10,323,877	18,512,742
	Additions at cost during the period / year	19,879,299	6,977,200
	Less: Written down value of assets disposed off	(1,873,918)	(3,935,054)
		28,329,258	21,554,888
	Less: Depreciation charged during the period / year	(6,517,327)	(11,231,011)
		21,811,931	10,323,877
<b>11</b>	<b>Fixed assets under own use</b>		
	Opening balance	79,162	238,699
	Additions at cost during the period / year	-	-
	Less: Written down value of assets disposed off	-	-
		79,162	238,699
	Less: Depreciation charged during the period / year	(43,279)	(159,537)
		35,883	79,162
		<b>December 31,</b>	<b>June 30,</b>
		<b>2024</b>	<b>2024</b>
		<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>Rupees</b>	
<b>12</b>	<b>Trade and other payables</b>		
	Accrued expenses	273,564	534,964
	Other liabilities	2,288,505	745,148
	Payable to the Modaraba Management Company	1,162,777	2,434,992
	Worker's welfare fund payable	1,144,727	939,531
	Withholding income tax payable	30,436	30,436
		4,900,009	4,685,071
<b>13</b>	<b>Contingencies and commitments</b>		
<b>13.1</b>	There are no change in contingencies and commitments as disclosed in the notes to the financial statements for the year ended June 30, 2024.		
		<b>Half year ended</b>	<b>Quarter ended</b>
		<b>2024</b>	<b>2023</b>
		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	
<b>14</b>	<b>Provisions for levies</b>		
	Final tax / Alternate corporate tax	1,744,103	1,813,188
	Prior period	-	-
		1,744,103	1,813,188
<b>14.1</b>	This represents portion final tax on dividend income under Section 150 and / or alternate corporate tax under Section 113C of the Income Tax Ordinance, 2001 representing levy in terms of requirements of interpretation issued by International Financial Reporting Interpretation Committee (IFRIC) 21 / International Accounting Standard 37, Provision, contingent liabilities and contingent assets.		
		<b>Half year ended</b>	<b>Quarter ended</b>
		<b>2024</b>	<b>2023</b>
		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	
<b>15</b>	<b>Income tax expense</b>		
	<b>Current taxation</b>		
	Current period	-	-
	Prior period	(4,089,480)	(4,089,480)
		(4,089,480)	-
	<b>Deferred taxation</b>	4,782,199	418,905
		692,719	418,905
		692,719	-



- 15.1** Current period's provision for taxation has been charged on the basis of tax on taxable income by applying applicable income tax rate. During the year, owing to application of alternate corporate tax and final tax; the liability has been classified as levies in terms of the requirements of interpretation issued by International Financial Reporting Interpretation Committee (IFRIC) 21.

		December 31, 2024 (Un-audited)	December 31, 2023
<b>16</b>	<b>Earnings per Certificate - Basic and Diluted</b>		
<b>16.1</b>	<b>Basic earnings per certificate</b>		
	Profit after taxation for the period (Rupees)	<u>7,822,971</u>	<u>8,433,718</u>
	Weighted average number of ordinary certificates outstanding during the period (Number)	<u>21,687,500</u>	<u>21,687,500</u>
	Earnings per Certificate - Basic and Diluted (Rupees)	<u>0.36</u>	<u>0.39</u>

- 16.2** **Diluted earnings per certificate**  
No figure for diluted earnings per certificate has been presented as the Modaraba has not issued any instruments which would have an impact on earnings per certificate when exercised.

- 17** **Balances and transactions with related parties**  
Related parties comprise of directors of the Modaraba, Modaraba management company, associated undertakings, key management personnel and relatives of the key management personnel. The Modaraba in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Modaraba has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

<b>17.1</b>	<b>Name of related parties</b>	<b>Nature of relationship</b>	<b>Basis of relationship</b>
	IBL Modaraba Management (Private) Limited	Management Company	Common management
	University of Management and Technology	Associated undertaking	Common Management
	IBL Modaraba Management (Private) Limited and University of Management and Technology hold aggregate shares 10.01% (June 30, 2024: 10.01%) and 14.16% (June 30, 2024: 14.16%) respectively.		

- 17.2** The Modaraba Management Company is entitled to a remuneration for services rendered to the Modaraba under the provisions of the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980 up to a maximum of 10% per annum of the net annual profits of the Modaraba.

- 17.3** Details of transactions with related parties and balances with them as at the period end are as follows:

		(Un-audited) December 31, 2024	December 31, 2023
		Rupees	
<b>a)</b>	<b>Transactions with related parties during the period</b>		
	<b>Nature of relationship</b>		
	Management Company		
	<b>Nature of transaction</b>		
	Management fee	1,162,777	1,212,024
	Payment of management fee	2,434,992	1,533,515
	Associated undertaking		
	Rent of library building	3,747,720	3,747,720
		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		Rupees	
<b>b)</b>	<b>Outstanding Balances as at reporting date</b>		
	IBL Modaraba Management (Private) Limited		
	Payable against management fee and others	1,162,777	2,434,992

## 18 Segment Reporting

**18.1** A business segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. The management has determined the operating segments based on the information that is presented to the Chief Executive Officer (Chief Operating Decision Maker) for allocation of resources and assessments of performance. Based on internal management reporting structure, the Modaraba is organized into following operating segments:

### Types of segments

- Ijarah finances
- Musharaka finances
- Investments

### Nature of business

Giving right to the benefit of using an asset for a consideration.  
Joint enterprise formed for conducting some business.  
Investments made in equity instruments of other companies and other investments.

No operating segment has been aggregated to or from the above reportable operating segments.

The Chief Operating Decision Maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit, profit from operations, reduction in operating cost and free cash flows.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. There were no transfers during the period (June 30, 2024: Rupees Nil).

## 18.2 Segment analysis

**18.2.1** The segment information for the reportable segments for the period / year is as follows:

December 31, 2024				
	Ijarah Finances	Musharaka Finances	Investment Property	Total
Un-audited	Rupees			
Segment revenues / profits				
Revenues	8,725,095	1,971,870	3,747,720	14,444,685
Gain on termination of Ijarah	70,682	-	-	70,682
Depreciation	(6,517,327)	-	(2,500,014)	(9,017,341)
Reportable segment profit	<u>2,278,450</u>	<u>1,971,870</u>	<u>1,247,706</u>	<u>5,498,026</u>
December 31, 2023				
	Ijarah Finances	Musharaka Finances	Investment Property	Total
Audited	Rupees			
Segment revenues / profits				
Revenues	7,845,977	10,983,211	3,747,720	22,576,908
Gain on termination of Ijarah	988	-	-	988
Depreciation	(5,673,861)	-	(2,500,014)	(8,173,875)
Reportable segment profit	<u>2,173,104</u>	<u>10,983,211</u>	<u>1,247,706</u>	<u>14,404,021</u>
December 31, 2024				
	Ijarah Finances	Musharaka Finances	Investment Property	Total
Un-audited	Rupees			
Reportable segment assets	<u>23,615,901</u>	<u>54,045,058</u>	<u>39,583,480</u>	<u>117,244,439</u>
Reportable segment liabilities	<u>8,587,949</u>	<u>700,000</u>	<u>-</u>	<u>9,287,949</u>
Additions/(deletions) to non-current assets	<u>19,879,299</u>	<u>1,319,473</u>	<u>-</u>	<u>21,198,772</u>

	June 30, 2024			
	Ijarah Finances	Musharaka Finances	Investment Property	Total
	Rupees			
Audited				
Reportable segment assets	10,808,374	69,305,354	42,083,494	122,197,222
Reportable segment liabilities	3,827,150	700,000	-	4,527,150
Additions/(deletions) to non-current assets	6,977,200	(30,133,304)	-	(23,156,104)

**18.2.2** Reconciliation of reportable segments revenues, profit or loss, assets and liabilities is as follows:

		<b>(Un-Audited)</b>	
		<b>December 31, 2024</b>	<b>December 31, 2023</b>
		<b>Rupees</b>	
<b>Revenues</b>			
Total revenues for reportable segments		14,515,367	22,577,896
Other revenues:			
Other income		3,126	3,124
Profit on deposits		10,681,135	3,072,299
		10,684,261	3,075,423
Modaraba's revenues		25,199,628	25,653,319
		<b>(Un-Audited)</b>	
		<b>December 31, 2024</b>	<b>December 31, 2023</b>
		<b>Rupees</b>	
<b>Profit</b>			
Total profit for reportable segments		5,498,026	14,404,021
Other components:			
Profit on deposits		10,681,135	3,072,299
Other income		3,126	3,124
Unrealized loss on investments		258,424	98,865
Administrative expenses		(4,812,945)	(5,458,069)
Modaraba Management Company's fee		(1,162,777)	(1,212,024)
Worker's welfare fund		(205,196)	(242,405)
		4,761,767	(3,738,210)
		10,259,793	10,665,811
		<b>(Un-Audited)</b>	<b>(Audited)</b>
		<b>December 31, 2024</b>	<b>June 30, 2024</b>
		<b>Rupees</b>	
<b>Assets</b>			
<b>Total assets for reportable segments</b>		<b>117,244,439</b>	<b>122,197,222</b>
Corporate assets unallocated:			
Cash and bank balances		123,684,576	106,248,946
Advances, prepayments and other receivables		1,853,505	6,788,048
Long term advances and deposits		20,500	20,500
Advance Income tax		2,988,351	2,536,505
Short term investments		3,562,030	1,918,105
Deferred tax asset		-	2,027,989
Fixed assets under own use		35,883	79,162
		132,144,845	119,619,255
<b>Total assets as per statement of financial position</b>		<b>249,389,284</b>	<b>241,816,477</b>

## Liabilities

Total liabilities for reportable segments	9,287,949	4,527,150
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### Corporate liabilities unallocated:

Trade and other payables	10,791,813	15,794,785
Unclaimed dividend	10,834,598	10,834,598
<b>Total liabilities as per statement of financial position</b>	<b>30,914,360</b>	<b>31,156,533</b>

Certain liabilities, assets, other income and other operating charges of the Modaraba cannot be allocated to a specific segment. Accordingly, these amounts have been classified as unallocated.

There are no differences between the measurements of the reportable segments' profits or losses, assets and liabilities with the Modaraba's profits or losses, assets and liabilities.

There are no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

There are no asymmetrical allocations to reportable segments.

## 18.3 Geographical segments

The Modaraba's assets are employed and its income is derived in Pakistan.

Certain liabilities, assets, other income and other operating charges of the Modaraba cannot be allocated to a specific segment. Accordingly, these amounts have been classified as unallocated.

There are no differences between the measurements of the reportable segments' profits or losses, assets and liabilities with the Modaraba's profits or losses, assets and liabilities.

There are no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

There are no asymmetrical allocations to reportable segments.

## 18.4 Geographical segments

The Modaraba's assets are employed and its income is derived in Pakistan.

## 19 Financial Risk Management

### 19.1 Financial risk factors

The Modaraba's activities expose it to a variety of financial risks: market risk (including currency risk, fair value risk, profit rate risk and price risk), credit risk and liquidity risk.

These condensed interim financial statements (un-audited), do not include all financial risk management information and disclosures required in the annual financial statements; and should be read in conjunction with the Modaraba's annual financial statements for the year ended June 30, 2024. There have been no changes in any risk management policies since the year end.

### 19.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table presents the Modaraba's assets and liabilities that are measured at fair value as at December 31, 2024 (Un-audited):

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Investments at fair value through OCI	3,057,230	-	-	3,057,230
Investments at fair value through profit or loss	504,800	-	-	504,800
	3,562,030	-	-	3,562,030

The following table presents the Modaraba's assets and liabilities that are measured at fair value as at June 30, 2024:

June 30, 2024

June 30, 2024				
Level 1	Level 2	Level 3	Total	
Rupees				
<b>Assets</b>				
Investments at fair value through OCI	1,671,730	-	-	1,671,730
Investments at fair value through profit or loss	246,375	-	-	246,375
	1,918,105	-	-	1,918,105

During the half year ended on December 31, 2024, there were no significant changes in business or economic circumstances that affect the fair value of the Modaraba's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets and there were no changes in valuation techniques during the period.





## 20 Date of Authorization for Issue

These condensed interim financial statements (un-audited) have been approved by the Board of Directors of IBL Modaraba Management (Private) Limited and authorized for issuance on **February 19, 2025**.

## 21 General

Comparative figures are re-arranged / re-classified, wherever necessary, to facilitate comparison. No such re-arrangements / re-classifications have been made in these condensed interim financial statements (un-audited).

**For IBL Modaraba Management (Private) Limited**  
(Modaraba Management Company)

 <b>Chief Executive</b>	 <b>Director</b>	 <b>Director</b>	 <b>Chief Financial Officer</b>
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