

ANNUAL REPORT 2025



**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. Noor Muhammad Zakaria

Mr. Asad Ahmed Mohiuddin

Mr. Tausif Ilyas

Barrister Naheed Shiraz Merchant

Mr. Kausar Ali Fecto

Executive Directors

Chief Executive

Mr. Zainuddin Aziz

Chief Financial Officer

Mr. Umair Rafiq

Company Secretary

Mr. Roofi Abdul Razzak

Board Audit Committee - Chairman

Mr. Noor Muhammad Zakaria - Chairman

Mr. Zia Zakaria - Member

Mr. Asad Zakaria - Member

HR & Remuneration Committee

Mr. Tausif Ilyas - Chairman

Mr. Zainuddin Aziz - Member

Mr. Noor Muhammad Zakaria - Member

Modaraba Management Committee

Mr. Zainuddin Aziz - Chairman

Mr. Zia Zakaria - Member

Barrister Naheed Shiraz Merchant - Member

Mr. Asad Ahmed Mohiuddin - 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

United Bank Limited - Islamic Banking

NRSP Microfinance Bank Limited

Auditors

Russell Bedford Rahman Sarfaraz Rahim Iqbal Rafiq

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, Shakra-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



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	2025	2024	2023	2022	2021	2020	2019
NON-CURRENT ASSETS							
Fixed Assets - tangible							
Long term deposits	1.40	1.43	1.45	1.42	1.42	1.43	1.33
Long Term Portion of diminishing musharakah (syndicate)	0.05	0.40	2.64	13.29	27.82	14.39	14.82
Long Term Investments	5.67	13.49	18.36	6.81	7.52	10.28	10.69
Ijarah Assets	-	-	-	-	0.37	2.30	15.07
Fixed Assets in own use	0.46	0.40	0.65	0.81	0.98	1.35	1.59
Deferred tax asset	0.72	0.38	0.48	1.24	-	-	-
Intangible assets (owned)	0.05	-	-	-	-	-	-
CURRENT ASSETS							
Cash & Bank Balances	48.69	34.45	8.73	35.24	21.75	3.41	11.71
Short Term investments	15.40	14.42	10.74	19.55	10.80	45.22	4.18
Musawamah receivables - secured	-	-	-	-	-	-	-
Ijarah rental receivable	-	-	-	-	0.03	0.22	0.61
Receivable from diminishing musharka	-	0.28	0.40	0.61	0.80	-	-
Trade debts	-	-	-	-	-	-	1.28
Stock in trade	24.82	29.23	41.99	-	-	-	18.68
Advances, Deposits, Prepayments & Other Receivables	2.13	2.11	1.14	1.15	8.97	3.48	5.94
Current portion of investment in Sukuk Certificates	-	-	-	-	0.13	0.27	0.25
Current portion of investment in diminishing musharakah	0.44	2.32	11.60	18.61	17.22	15.28	11.80
Income tax refundable/paid in advance	-	0.26	1.33	1.00	1.89	2.15	1.63
Profit Receivable	0.17	0.84	0.49	0.34	0.29	0.24	0.39
TOTAL ASSETS	100.00	100.00	100.00	100.08	100.00	100.00	100.00
EQUITY & LIABILITIES							
CAPITAL & RESERVES							
Issued, subscribed and paid up capital	84.27	85.84	87.08	77.88	77.41	77.98	72.67
Reserves	28.40	28.75	29.13	36.41	36.33	36.24	33.86
Accumulated loss	(18.18)	(19.18)	(19.73)	(19.34)	(20.18)	(20.09)	(19.31)
TOTAL CAPITAL AND RESERVES	94.49	95.40	96.49	94.94	93.56	94.13	87.23
Unrealised appreciation on remeasurement of investment classified as available for Sales-net	(0.27)	(0.30)	(0.84)	(1.50)	(0.85)	(1.99)	(2.56)
NON-CURRENT LIABILITIES							
Security Deposits	-	-	-	-	-	0.16	0.78
Deferred liability - staff gratuity	2.73	2.43	1.86	3.40	2.77	2.77	3.40
CURRENT LIABILITIES							
Current maturity of security deposits	-	-	-	-	0.21	1.01	6.05
Creditors, accrued and other liabilities	1.03	0.42	0.41	1.12	2.04	1.88	3.20
Provision for custom duty/surcharge	1.60	1.63	1.66	1.63	1.62	1.63	1.52
Unclaimed profit distributions	0.40	0.41	0.42	0.41	0.41	0.41	0.38
TOTAL EQUITIES & LIABILITIES	100.00	100.00	100.00	100.00	99.75	100.00	100.00
PROFIT & LOSS ACCOUNT ITEMS							
Profit on trading operations	35.70	(19.38)	7.93	35.33	-	6.98	7.55
Income on Diminshing Musharakah (Syndicate)	-	-	-	-	-	6.54	15.21
Income on musawamah receivables	-	-	-	-	-	-	-
Income on Diminshing Musharakah	4.96	20.03	38.39	43.87	44.69	36.29	22.70
Income from Ijarah	-	-	-	2.29	6.03	23.50	42.82
Reversal of provision against Musawamah Facility	1.44	3.96	8.49	-	-	-	-
Income from investments	57.89	95.40	45.18	18.52	49.28	26.69	11.71
Gross Revenue	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Operating Expenses	(82.39)	(94.57)	(78.04)	(71.49)	(107.38)	(100.23)	(111.09)
Impairment loss on trade debtors and other receivables	-	-	-	-	-	(10.45)	(15.45)
Financial and other charges	(0.04)	(0.08)	(0.04)	(0.09)	(0.06)	(0.08)	(0.11)
Other Income	4.50	3.84	4.27	2.79	14.70	19.95	6.37
Unrealized loss on remeasurement of investments classified at fair value through profit & loss	(10.30)	(1.57)	(15.36)	(24.30)	(10.24)	(13.33)	(30.55)
Share of (loss)/ profit from associates	0.35	4.04	(0.43)	2.25	9.28	3.49	(4.36)
Modaraba Company's management fee	-	-	-	-	-	-	-
Provision for workers welfare fund	(0.24)	(0.23)	(0.21)	(0.09)	(0.13)	-	-
Taxation	(6.43)	(10.31)	(8.69)	(2.95)	(3.72)	-	-
Profit for the year (in %age)	5.45	1.12	1.51	6.13	2.44	(0.65)	(55.18)



HORIZONTAL ANALYSIS

BALANCE SHEET (%)

ASSETS	2025	2024	2023	2022	2021	2020	2019
NON-CURRENT ASSETS							
Long term deposits	-	-	-	0.00	-	(0.00)	-
Long Term Portion of diminishing musharakah	(88.21)	(84.73)	(80.44)	(52.50)	94.76	(9.54)	5.74
Long Term Investments	(57.09)	(25.43)	165.29	(10.05)	(26.28)	(10.41)	(8.99)
Ijarah Assets	-	-	-	(100.00)	(83.73)	(85.81)	(55.38)
Fixed Assets in own use	18.32	(38.40)	(20.32)	(18.28)	(26.74)	(21.14)	(22.36)
Deferred tax asset	95.17	(20.45)	100.00	-	-	-	-
Intangible assets (owned)	100.00	-	-	-	-	-	-
CURRENT ASSETS							
Bank Balances	44.44	300.48	(75.64)	61.08	543.07	(72.89)	39.40
Short Term investments	9.17	36.18	(45.96)	79.93	(75.94)	908.84	(53.01)
Musawamah receivables - secured	-	-	-	-	-	-	-
Ijarah rental receivable	-	-	-	(100.00)	(87.06)	(66.01)	(32.11)
Receivable from diminishing musharka and trade debts	-	-	(34.92)	(24.98)	100.00	-	-
Trade Receivables	-	-	-	-	-	(100.00)	(71.37)
Stock in trade	(13.23)	(29.37)	100.00	-	-	(100.00)	100.00
Advances, Deposits, Prepayments & Other Receivables	3.02	87.62	(2.48)	(87.23)	160.06	(45.49)	78.77
Current portion of investment in Sukuk Certificates	-	-	-	(100.00)	(50.00)	0.00	-
Current portion of investment in diminishing musharakah	(80.56)	(79.71)	(38.68)	7.42	13.49	20.68	53.20
Income tax refundable/paid in advance	(100.00)	(80.27)	30.47	(47.28)	(11.23)	0.23	0.11
Profit Receivable	(79.45)	75.20	39.31	18.81	21.14	(42.92)	11.22
TOTAL ASSETS	2.19	1.45	(1.63)	(0.59)	0.73	(6.80)	(8.67)
EQUITY & LIABILITIES							
CAPITAL & RESERVES							
Issued, subscribed and paid up capital	-	-	10.00	-	-	-	-
Reserves	0.62	0.10	(21.28)	0.95	(0.34)	(0.26)	-
Accumulated loss	(3.48)	(1.37)	0.35	(1.14)	(2.45)	(3.04)	36.95
TOTAL CAPITAL AND RESERVES	(2.85)	(1.27)	(10.94)	(0.19)	(2.79)	(3.29)	36.95
Deficit on revaluation of investment	(9.55)	(63.60)	(45.34)	74.93	(56.87)	(27.51)	175.69
NON-CURRENT LIABILITIES							
Security Deposits	-	-	-	-	(100.00)	(80.30)	(89.38)
Deferred liability - staff gratuity	14.45	32.53	(46.23)	22.20	0.55	(24.03)	29.91
CURRENT LIABILITIES							
Islamic export refinance	-	-	-	-	-	-	-
Musharikah Finance - Secured	-	-	-	-	-	-	-
Murabaha Finance - secured	-	-	-	-	-	-	-
Current maturity of security deposits	-	-	-	(100.00)	(79.44)	(84.48)	92.96
Creditors, accrued and other liabilities	148.51	3.82	(63.51)	(45.47)	9.23	(45.42)	7.40
Provision for custom duty/surcharge	0.33	-	-	-	-	-	-
Unclaimed profit distributions	-	-	-	-	-	-	-
TOTAL EQUITIES & LIABILITIES	2.19	1.45	(1.63)	(0.59)	0.73	(6.80)	(8.67)
PROFIT & LOSS ACCOUNT (%)	2025	2024	2023	2022	2021	2020	2019
Profit on trading operations	(334.07)	(341.31)	(78.95)	100.00	(100.00)	9.89	73.76
Income on diminishing musharakah (Syndicate)	-	-	-	-	(100.00)	(48.83)	(8.20)
Income on Diminshing Musharakah	(68.53)	(48.51)	(17.90)	37.96	8.41	90.14	1,029.94
Income from Ijarah	-	-	(100.00)	(46.76)	(77.40)	(34.72)	(24.45)
Reversal of provision against Musawamah Facility	(53.62)	(54.00)	100.00	-	-	-	-
Income from investments	(22.88)	108.41	128.84	(47.18)	62.55	171.03	(33.15)
Operating Expenses	10.72	19.62	2.40	(6.43)	(5.68)	7.32	(3.37)
Impairment loss on trade debtors and other receivables	-	-	-	-	(100.00)	-	-
Financial and other charges	(27.36)	100.79	(58.81)	101.75	(36.35)	(5.54)	(14.36)
Other Income	48.62	(11.17)	43.62	(73.32)	(35.15)	272.72	(5,273.49)
Unrealized loss on remeasurement of investments classified at fair value through profit & loss	732.95	(89.90)	(40.71)	233.42	(32.37)	(48.09)	(5.48)
Share of profit / (loss) from associates	88.97	1,038.01	(117.72)	(65.90)	133.91	195.18	(86.50)
Modaraba Company's management fee	-	-	-	-	-	-	(100.00)
Provision for workers welfare fund	32.00	10.61	110.09	3.80	100.00	-	-
Taxation and levies	(20.79)	17.16	176.49	11.21	100.00	-	-
Profit / (Loss) for the year	518.57	(27.02)	(76.82)	252.43	432.90	(98.61)	(43.56)



KEY FINANCIAL DATA SEVEN YEARS AT A GLANCE

KEY FINANCIAL DATA	2025	2024	2023	2022	2021	2020	2019
Figures in Million							
Total Assets	274.86	269.12	265.26	269.65	271.27	269.31	288.96
Fixed Assets (owned)	1.26	1.07	1.73	2.17	2.66	3.63	4.60
Fixed Assets (ijarah)	-	-	-	-	1.01	6.18	43.56
Other Non Current Assets	21.53	42.24	60.83	61.17	99.72	70.27	77.58
Current Assets	252.07	225.81	202.71	206.31	167.89	189.23	163.22
Total Liabilities	15.82	13.18	11.54	17.69	19.09	21.18	44.32
Current Liabilities	8.34	6.65	6.61	8.52	11.59	13.27	32.24
Non Current Liabilities	7.48	6.54	4.93	9.17	7.51	7.91	12.08
Total Equity and deficit on revaluation of investments	258.29	255.93	253.73	251.96	252.17	248.12	244.64
Reserves	77.85	77.36	77.28	98.18	97.26	97.59	97.84
Certificate Holders' Equity	231.00	231.00	231.00	210.00	210.00	210.00	210.00
Accumulated losses	(49.83)	(51.62)	(52.34)	(52.16)	(52.77)	(54.09)	(55.79)
Deficit on revaluation of investments	(0.73)	(0.81)	(2.22)	(4.05)	(2.32)	(5.37)	(7.41)
Revenue	46.29	36.20	36.83	38.70	30.73	36.50	27.21
Net Revenue	2.41	0.39	0.53	2.31	1.65	(0.20)	(14.12)
Earning (loss) per Certificate	0.10	0.02	0.02	0.10	0.03	(0.01)	(0.61)
Cash dividend (%)	-	-	-	-	-	-	-

STAKEHOLDER INFORMATION	2025	2024	2023	2022	2021	2020	2019
Profit after tax ratio (%)	5.45	1.12	1.51	6.13	2.44	(0.65)	(55.18)
Return on assets (%)							
Return on equity / capital employed	0.01	0.00	0.00	0.01	0.00	(0.00)	(0.06)
Return on capital employed (%)							
Assets Turnover Ratio (%)	0.16	0.13	0.13	0.14	0.10	0.11	0.08
Current ratio	30.22	33.97	30.68	24.22	14.49	14.26	5.06
Market Value per certificate (year end)							
High	4.60	3.50	3.30	3.62	3.20	3.00	3.10
Low	4.25	3.50	2.85	3.40	3.20	3.00	3.10
Closing	4.59	3.50	3.08	3.51	3.20	3.00	3.10
Earning / (loss) per Certificate	0.10	0.02	0.02	0.10	0.03	(0.01)	(0.61)
Net assets / breakup value per certificate	11.21	11.11	11.08	12.19	12.12	12.07	12.00
Earning asset to total assets ratio (%)	0.52	0.17	0.53	0.55	0.08	(2.56)	(6.46)
Price earning ratio	33.51	207.25	133.10	35.16	112.97	(352.56)	(5.07)
Dividend Yield Ratio (%)	-	-	-	-	-	-	-
Cash Dividend per certificate (in Rs.)	-	-	-	-	-	-	-



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, 2025.

Pakistan's GDP grew by 2.68 percent, supported by stabilization across all major macroeconomic indicators. The industrial sector posted a growth of 4.77 percent. Manufacturing growth was also positive despite a slow recovery in large-scale manufacturing, supported by gains in small-scale manufacturing. The services sector (58.4% of GDP) emerged as the main growth driver, expanding by 2.91 percent, while the agriculture sector recorded a growth of 0.56 percent due to a decline in major crops.

The Modaraba compared to preceding financial year, attained a respectable revenue growth of nearly 28%. We are constantly focusing on consistent growth focusing on our core activities as well as secondary market operations in order to obtain sustainable growth.

On behalf of the Board of Directors, I would like to acknowledge the contribution of all the team for their hard work in trying to manage the crises and pray to Allah SWT for the success and growth of the Modaraba.

Sd/-

Zia Zakaria
Chairman

September 11, 2025

چئرمين كى جائزه رپورٹ

معزز سرٹيفيكٹ هولڈرز

مجھے فرسٹ النور مضاربه كے سرٹيفيكٹ هولڈرز كے سامنے 30 جون 2025 كو ختم ہونے والے سال كے آڈٹ شدہ مالياتی گوشواروں كے ساتھ كپنى كى مالی كار كردگى كا جائزه پيش كرتے ہوئے خوشى ہو رہى ہے۔

پاكستان كى جى ڈى پى ميں 2.68 فيصد اضافہ ہوا، جس كى حمايت تمام بڑے معاشى اشاريوں ميں استحكام سے ہوئى۔ صنعتى شعبے كى شرح نمو 4.77 فيصد رہى۔ بڑے پيمانے پر مينوفيكچرنگ ميں بہتر ريكورى كے باوجود مينوفيكچرنگ كى نمو بھى مثبت رہى، چھوٹے پيمانے پر مينوفيكچرنگ ميں حاصل ہونے والے فوائد كى مدد سے۔ خدمات كا شعبہ (جى ڈى پى كا 58.4 فيصد) ترقى كے اہم محرڪ كے طور پر ابھرا، جس ميں 2.91 فيصد اضافہ ہوا، جب كہ بڑى فصلوں ميں كمى كى وجہ سے زراعت كے شعبے ميں 0.56 فيصد اضافہ ريكارڈ كيا گيا۔

مضاربه نے گزشتہ مالی سال كے مقابلے ميں تقريباً 28 فيصد كى قابل احترام آمدنى ميں اضافہ حاصل كيا۔ پائيدار ترقى حاصل كرنے كے ليے ہم اپنى بنيادى سرگرميوں كے ساتھ ساتھ ثانوى ماركيٹ كے آپريشنز پر توجہ مركز كرتے ہوئے مسلسل ترقى پر توجہ مركز كر رہے ہيں۔

بورڈ آف ڈائريكتورز كى جانب سے، بحرانوں كو سنبھالنے كى كوشش ميں تمام ٹيم كے تعاون كا اعتراف كرنا چاہتا ہوں اور مضاربه كى كاميابى اور ترقى كے ليے اللہ تعالى سے دعا گو ہوں۔

چئرمين

زياد كريا

11 ستمبر 2025



THIRTY THIRD REPORT OF THE DIRECTORS OF MODARABA COMPANY FOR THE YEAR ENDED JUNE 30, 2025

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 Thirty Third Annual Report together with the Audited Financial Statements of the Modaraba for the year ended June 30, 2025:

Financial Results	For the year ended	
	June 30, 2025	June 30, 2024
	----- Amount in Pak. Rupees -----	
Profit before taxation	5,232,880	3,985,244
Levies – Final Tax	(2,778,630)	(2,791,940)
Taxation	(114,269)	(803,200)
Profit after Taxation	2,339,981	390,104
Components of Other comprehensive (loss)/income	(1,926,006)	(736,937)
Surplus/(Deficit) transferred to accumulated losses	1,791,350	1,143,968
Transfer to Statutory Reserve	(482,614)	(78,021)
Accumulated losses brought forward	(51,874,116)	(52,593,230)
Accumulated losses carried forward	(50,078,316)	(51,874,116)
DISTRIBUTION		
Profit distribution @ 0.00% (2024 @ 0.00%)	-	-
Bonus Certificates @ 0.00% (2024 @ 00.00%)	-	-
General Reserve	-	-

Economic Review and Review of Operations

The real, fiscal, financial, and external sectors continued to demonstrate resilience and steady improvement in FY 2025. Pakistan's GDP grew by 2.68 percent, supported by stabilization across all major macroeconomic indicators. The industrial sector posted a growth of 4.77 percent. Manufacturing growth was also positive despite a slow recovery in large-scale manufacturing, supported by gains in small-scale manufacturing. The services sector (58.4% of GDP) emerged as the main growth driver, expanding by 2.91 percent, while the agriculture sector recorded a growth of 0.56 percent due to a decline in major crops.

The investment-to-GDP ratio improved to 13.8 percent, compared to 13.1 percent in FY 2024, supported by stronger public and private capital formation. Gross Fixed Capital Formation (GFCF) stood at Rs 13,814.7 billion, marking a 15.0 percent increase over FY 2024. Private investment grew by 9.9 percent, while public investment, including general government development spending, rose sharply by 34.2 percent. National saving also improved, recorded at 14.1 percent of GDP, reflecting stronger domestic resource mobilization.

Pakistan's capital markets, specifically the equity market, exhibited superior performance compared to major global stock markets in FY 2025. The KSE-100 index demonstrated significant growth of 50.2 percent during July-March FY 2025. This increase can be attributed to strong corporate earnings, a decline in both the policy rate and inflation, the successful first review of the IMF-EFF program, and subsequent tranche disbursements, all of which contributed to a stable macroeconomic environment that bolstered investor confidence.

In 2024, the global economy entered a stabilization phase following unprecedented shocks in recent years. Inflation has decreased from multidecade highs and is gradually aligning with the targets set by central banks, although this progress remains uneven across different regions. Looking ahead, global economic growth, which is estimated at 3.3 percent in 2024, projected to moderate to 2.8 percent in 2025, before recovering slightly to 3.0 percent in 2026.

Modaraba faced challenges in the commodity trading sector in first half of FY2025, however, in second half of the financial year, the stabilizing factors of Pakistan Economy, the commodity market gained the consistent growth trajectory which yield positive results by the year end. This was supported by the secondary market operations to achieve high annualized yield. From a broader perspective, the Modaraba demonstrated a positive momentum with consistent growth in its business.



Future Outlook

The macroeconomic outlook is contingent on how the global economic and political environment shapes up. In this context, there are three prominent risks. First, the recent shift towards a more protectionist trade policies has already begun to take effect. These tariffs are impacting geopolitical contenders and key trading partners. Rising tariffs could disrupt trade and economic activity, having implications for EMDEs' exports and remittances, and international commodity prices. Second, the possible spillovers of ongoing geopolitical conflicts to global economy, in general and commodity prices, in particular. Third is concerning the resurgence of inflation globally due to tariffs and potential supply-chain constraints, and their implications for global financial conditions, which may adversely impact emerging economies.

Modaraba is positioning itself well for growth by focusing on increasing its revenues and expanding its range of commodities considering the numerous economic factors. By remaining adaptable and diversifying its offerings, it could capitalize on various economic opportunities and strengthen its market position.

Sustainability - related Risk

We remain steadfast in addressing risks that may impact our operations and stakeholders. Key focus areas include maintaining the highest standards of business ethics, ensuring robust governance, and promoting transparency

Shariah Perspective

At First Al-Noor Modaraba, Shariah governance forms the cornerstone of our business. All operations and financial practices are aligned with Shariah principles, ensuring that our products and services offer a distinct risk-return profile rooted in ethical and responsible finance.

Under the guidance of our esteemed Shariah Advisor, we continuously strengthen our compliance culture and refine our processes to achieve perfection and reliability. Shariah governance is not just an obligation-it is our utmost responsibility and a reflection of our commitment to stakeholders.

Our sustainability framework is built on a strong ethical foundation and revolves around three key pillars:

- **People** - investing in our workforce and communities.
- **Organization** - ensuring transparency, accountability, and governance.
- **Planet** - promoting responsible, sustainable practices.

This is further reinforced by a robust **Shariah compliance and audit mechanism**, which safeguards the integrity of our operations and builds long-term trust.

A complete Shariah Advisor Report and Shariah Audit Report for the year ended June 30, 2025 is attached with annual report.

The Board of Directors

During the year, the term of the Board of Directors of Al-Noor Modaraba Management (Private) Limited, the management Company of First Al-Noor Modaraba ended and an election of the Board of Directors commenced. The brief detail of the retiring Directors and elected directors as of June 30, 2025 is enumerated below:

S.No.	Name	Designation	Status
1.	Mr. Abdul Aziz Ayoob	Director (Non Executive)	Retired
2.	Mr. Noor Muhammad Zakaria	Director (Non Executive)	Re-elected
3.	Mr. Zia Zakaria	Director (Non Executive)	Re-elected
4.	Mr. Zainuddin Aziz	Executive Director	Re-elected
5.	Mr. Asad Ahmed Mohiuddin	Director (Non Executive)	Elected
6.	Mr. Tausif Ilyas	Director (Independent)	Re-elected
7.	Mr. Abdul Rahim Suriya	Director (Independent)	Retired
8.	Barrister Naheed Shiraz Merchant	Director (Independent)	Re-elected
9.	Mr. Kausar Ali Fector	Director (Independent)	Elected



Directors Training & Orientation

The Majority directors are compliant with necessary requirements of Directors Training Certificate with few trained at respective Institutions.

Pattern of Certificate Holders

A Statement showing pattern of Certificate Holding of the Modaraba and additional information as at June 30, 2025 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 and charges which are outstanding as on June 30, 2025 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, 2025 is as follows:

1. The total number of Directors are Seven (7) as per the following:

Male : 6
Female : 1

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

Category	Names
Independent Directors	1) Mr. Tausif Ilyas 2) Barrister Naheed Shiraz Merchant 3) Mr. Kausar Ali Fecto
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. Noor Muhammad Zakaria 2) Mr. Zia Zakaria 3) Mr. Asad Ahmed Mohiuddin

**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	21-Sept-24	24-Oct-24	21-Feb-25	26-Apr-25
Mr. A. Aziz Ayooob	0/4	✗	✗	✗	✗
Mr. Zia I. Zakaria	4/4	✓	✓	✓	✓
Mr. Noor Muhammad Zakaria	4/4	✓	✓	✓	✓
Mr. Zainuddin Ayooob	4/4	✓	✓	✓	✓
Mr. Abdul Rahim Suriya	4/4	✓	✓	✓	✓
Mr. Tausif Ilyas	3/4	✓	✓	✗	✓
Dr. Irum Saba*	0/0	-	-	-	-
Barrister Naheed Shiraz Merchant	3/3		✓	✓	✓
Mr. Kauser Ali Fecto**	0/4	-	-	-	-
Mr. Asad Ahmed Mohiuddin**	0/4	-	-	-	-

* Resigned on June 6, 2024

** Elected on June 30, 2025

Remuneration policy for Non Executive / Independent Directors

The meeting attendance fee for Non-Executive including independent directors for attending the Board and Committee meetings of the Company is determined from time to time.

Auditors

The Board, on the recommendation of the Boards Audit Committee, has appointed M/s Rahman Sarfaraz Rahim Iqbal Rafiq & Company, Russel Bedford, Chartered Accountants, who offer themselves for appointment as Auditors for the financial year ending June 30, 2026, 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 11, 2025

Place : Karachi

آڈیٹرز:-

بورڈ نے بورڈز آڈٹ کمیٹی کی سفارش پر میسرز رحمان سرفراز رحیم اقبال رفیق اینڈ کمپنی، رسل بیڈ فورڈ، چارٹرڈ اکاؤنٹنٹس کو مقرر کیا ہے، جو 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے بطور آڈیٹر تقرری کے لیے خود کو پیش کرتے ہیں، جو رجسٹرڈ مضاربہ ایس ای سی پی کی منظوری سے مشروط ہے۔

اعتراف:-

بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، رجسٹرڈ مضاربہ کمپنیز اور مضاربہ کے کلائنٹس کی طرف سے اپنی سرپرستی اور کاروبار کے لیے فراہم کردہ مسلسل تعاون اور رہنمائی کے لیے تہہ دل سے شکریہ ادا کرنا چاہتا ہے، سرٹیفکیٹ ہولڈرز جو فرسٹ انور مضاربہ کے لیے پر عزم ہیں۔

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

تاریخ : ستمبر 11، 2025
مقام : کراچی

26 اپریل 2025	21 فروری 2025	24 اکتوبر 2024	21 ستمبر 2024	شرکت کرنے والے اجلاسوں کی تعداد	ڈائریکٹر کا نام
x	x	x	x	4/0	جناب عبدالعزیز ایوب
✓	✓	✓	✓	4/4	جناب ضیاء آئی۔ زکریا
✓	✓	✓	✓	4/4	جناب نور محمد زکریا
✓	✓	✓	✓	4/4	جناب زین الدین ایوب
✓	✓	✓	✓	4/4	جناب عبدالرحیم سوریا
✓	x	✓	✓	3/4	جناب توصیف الیاس
-	-	-	-	0/0	ڈاکٹر ارم صبا*
✓	✓	✓		3/3	بیرسٹر ناہید شیراز مرچنٹ
-	-	-	-	0/4	جناب کوثر علی فیکٹو**
-	-	-	-	0/4	جناب اسد احمد محی الدین**

*6 جون 2024 کو استعفیٰ دے دیا۔

**30 جون 2025 کو منتخب ہوئے۔

غیر ایگزیکٹو/آزاد ڈائریکٹرز کے لیے معاوضے کی پالیسی:-

کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے خود مختار ڈائریکٹرز سمیت غیر ایگزیکٹو کے لیے میٹنگ کی حاضری کی فیس و تقاضا قنطاری کی جاتی 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 کارپوریٹ گورننس کے ضابطہ کی تعمیل کے بیان میں بیان کردہ۔
- پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا خلاصہ شکل میں اس سالانہ رپورٹ میں شامل کیا گیا ہے۔
- ٹیکسز، ڈیوٹی اور چارجز کی مد میں کوئی قانونی ادائیگیاں نہیں ہیں جو 30 جون 2025 تک بقایا ہیں سوائے ان مالیاتی گوشواروں کے جن کا انکشاف کیا گیا ہے۔

بورڈ کی تشکیل:-

30 جون 2025 تک کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل حسب ذیل ہے:

1. مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات (7) ہیں۔

مرد: 6

خاتون: 1

2. متعلقہ زمروں کے تحت سال کے دوران ڈائریکٹرز کی تعداد حسب ذیل ہے:

نام	کیٹیگری
(1) جناب توصیف الیاس	خود مختار ڈائریکٹرز
(2) بیرسٹر ناہید شیراز مرچنٹ	
(3) جناب کوثر علی فیکٹو	
(1) جناب زین الدین عزیز	ایگزیکٹو ڈائریکٹر
(1) جناب نور محمد زکریا	غیر ایگزیکٹو ڈائریکٹر
(2) جناب ضیاء زکریا	
(3) جناب اسد احمد محی الدین	

اس کو ایک مضبوط شرعی تعمیل اور آڈٹ میکانزم سے مزید تقویت ملتی ہے، جو ہمارے آپریشنز کی سالمیت کی حفاظت کرتا ہے اور طویل مدتی اعتماد پیدا کرتا ہے۔

30 جون 2025 کو ختم ہونے والے سال کی ایک مکمل شریعہ ایڈوائزر رپورٹ اور شریعہ آڈٹ رپورٹ سالانہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز:-

سال کے دوران، انور مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ، فرسٹ انور مضاربہ کی انتظامی کمپنی کے بورڈ آف ڈائریکٹرز کی مدت ختم ہوئی اور بورڈ آف ڈائریکٹرز کا انتخاب شروع ہوا۔ 30 جون 2025 تک ریٹائر ہونے والے ڈائریکٹرز اور منتخب ڈائریکٹرز کی مختصر تفصیل درج ذیل ہے:

سیریل نمبر	نام	عہدہ	حیثیت
1	جناب عبدالعزیز ایوب	ڈائریکٹر (نان ایگزیکٹو)	ریٹائرڈ
2	جناب نور محمد ذکریا	ڈائریکٹر (نان ایگزیکٹو)	دوبارہ منتخب ہوئے
3	جناب ضیاء ذکریا	ڈائریکٹر (نان ایگزیکٹو)	دوبارہ منتخب ہوئے
4	جناب زین الدین عزیز	ایگزیکٹو ڈائریکٹر	دوبارہ منتخب ہوئے
5	جناب اسد احمد محی الدین	ڈائریکٹر (نان ایگزیکٹو)	منتخب
6	جناب محمد توصیف الیاس	ڈائریکٹر (آزاد)	دوبارہ منتخب ہوئے
7	جناب عبدالعزیز سوریا	ڈائریکٹر (آزاد)	ریٹائرڈ
8	بیرسٹر ناہید شیراز مرچنٹ	ڈائریکٹر (آزاد)	دوبارہ منتخب ہوئے
9	جناب کوثر علی فیکو	ڈائریکٹر (آزاد)	منتخب

مضاربہ اپنی آمدنی بڑھانے اور متعدد اقتصادی عوامل کو مد نظر رکھتے ہوئے اپنی اشیاء کی حد کو بڑھانے پر توجہ دے کر ترقی کے لیے خود کو اچھی طرح سے پوزیشن میں لے رہی ہے۔ موافقت پذیر رہنے اور اپنی پیشکشوں کو متنوع بنا کر، یہ مختلف اقتصادی مواقع سے فائدہ اٹھا سکتا ہے اور اپنی مارکیٹ کی پوزیشن کو مضبوط بنا سکتا ہے۔

پائیداری-متعلقہ خطرہ:-

ہم ان خطرات سے نمٹنے میں ثابت قدم رہتے ہیں جو ہمارے آپریشنز اور اسٹیک ہولڈرز کو متاثر کر سکتے ہیں۔ اہم توجہ والے شعبوں میں کاروباری اخلاقیات کے اعلیٰ ترین معیارات کو برقرار رکھنا، مضبوط گورننس کو یقینی بنانا، اور شفافیت کو فروغ دینا شامل ہیں۔

شرعی تناظر:-

فرسٹ النور مضاربہ میں، شرعی حکمرانی ہمارے کاروبار کا سنگ بنیاد ہے۔ تمام آپریشنز اور فنانشل پریکٹسز شرعی اصولوں کے ساتھ ہم آہنگ ہیں، اس بات کو یقینی بناتے ہوئے کہ ہماری مصنوعات اور خدمات ایک الگ خطرہ پیش کرتے ہیں۔ اخلاقی اور ذمہ دارانہ مالیات پر مبنی ریٹرن پروفاٹل۔

اپنے معزز شریعہ مشیر کی رہنمائی میں، ہم اپنے تعمیل کلچر کو مسلسل مضبوط کرتے ہیں اور کمال اور بھروسے کے حصول کے لیے اپنے عمل کو بہتر بناتے ہیں۔ شرعی حکمرانی صرف ایک ذمہ داری نہیں ہے۔ یہ ہماری انتہائی ذمہ داری ہے اور اسٹیک ہولڈرز کے ساتھ ہماری وابستگی کا عکاس ہے۔

ہمارا پائیداری کا فریم ورک ایک مضبوط اخلاقی بنیاد پر بنایا گیا ہے اور تین اہم ستونوں کے گرد گھومتا ہے:

- لوگ: ہماری افرادی قوت اور کمیونٹی میں سرمایہ کاری کرنا۔
- تنظیم: شفافیت، جو ابد ہی، اور حکمرانی کو یقینی بنانا۔
- سیارہ: ذمہ دار، پائیدار طریقوں کو فروغ دینا۔

2024 میں، حالیہ برسوں میں غیر معمولی جھٹکوں کے بعد عالمی معیشت استحکام کے مرحلے میں داخل ہوئی۔ مہنگائی کئی دہائیوں کی بلندیوں سے کم ہوئی ہے اور بتدریج مرکزی بینکوں کے مقرر کردہ اہداف کے مطابق ہو رہی ہے، حالانکہ یہ پیشرفت مختلف خطوں میں غیر مساوی ہے۔ آگے دیکھتے ہوئے، عالمی اقتصادی ترقی، جس کا تخمینہ 2024 میں 3.3 فیصد ہے، 2025 میں اعتدال سے 2.8 فیصد تک رہنے کا امکان ہے، اس سے پہلے کہ 2026 میں یہ 3.0 فیصد تک پہنچ جائے گی۔

مضاربہ کو مالی سال 2025 کی پہلی ششماہی میں کمیونٹی ٹریڈنگ کے شعبے میں چیلنجز کا سامنا کرنا پڑا، تاہم، مالی سال کی دوسری ششماہی میں، پاکستان کی معیشت کے استحکام کے عوامل، کمیونٹی مارکیٹ نے مسلسل ترقی کی رفتار حاصل کی جس کے سال کے آخر تک مثبت نتائج برآمد ہوئے۔ اعلیٰ سالانہ پیداوار حاصل کرنے کے لیے ثانوی مارکیٹ کی کارروائیوں سے اس کی حمایت کی گئی۔ ایک وسیع تر نقطہ نظر سے، مضاربہ نے اپنے کاروبار میں مسلسل ترقی کے ساتھ ایک مثبت رفتار کا مظاہرہ کیا۔

مستقبل کا آؤٹ لک:-

میکرو اکنامک آؤٹ لک اس بات پر منحصر ہے کہ عالمی معاشی اور سیاسی ماحول کس طرح تشکیل پاتا ہے۔ اس تناظر میں، تین نمایاں خطرات ہیں۔ سب سے پہلے، زیادہ تحفظ پسند تجارتی پالیسیوں کی طرف حالیہ تبدیلی کا اثر ہونا شروع ہو چکا ہے۔ یہ ٹیرف جغرافیائی سیاسی دعویداروں اور اہم تجارتی شراکت داروں کو متاثر کر رہے ہیں۔ بڑھتے ہوئے ٹیرف تجارتی اور اقتصادی سرگرمیوں میں خلل ڈال سکتے ہیں، جس کے اثرات EMDEs کی برآمدات اور ترسیلات زر اور بین الاقوامی اجناس کی قیمتوں پر پڑ سکتے ہیں۔ دوسرا، عالمی معیشت میں جاری جغرافیائی سیاسی تنازعات کے ممکنہ پھیلاؤ، بالعموم اور اجناس کی قیمتوں میں، خاص طور پر۔ تیسرا ٹیرف اور سپلائی چین کی ممکنہ رکاوٹوں کی وجہ سے عالمی سطح پر مہنگائی کے دوبارہ سراٹھانے سے متعلق ہے، اور عالمی مالیاتی حالات پر ان کے اثرات، جو ابھرتی ہوئی معیشتوں پر منفی اثر ڈال سکتے ہیں۔

اقتصادی اور آپریشنز کا جائزہ:-

حقیقی، مالیاتی، اور بیرونی شعبوں نے مالی سال 2025 میں لچک اور مسلسل بہتری کا مظاہرہ جاری رکھا۔ پاکستان کی جی ڈی پی میں 2.68 فیصد اضافہ ہوا، جس کی حمایت تمام بڑے معاشی اشاریوں میں استحکام سے ہوئی۔ صنعتی شعبے کی شرح نمو 4.77 فیصد رہی۔ بڑے پیمانے پر مینوفیکچرنگ میں سست ریکوری کے باوجود مینوفیکچرنگ کی نمو بھی مثبت رہی، چھوٹے پیمانے پر مینوفیکچرنگ میں حاصل ہونے والے فوائد کی مدد سے۔ خدمات کا شعبہ (جی ڈی پی کا 58.4 فیصد) ترقی کے اہم محرک کے طور پر ابھرا، جس میں 2.91 فیصد اضافہ ہوا، جب کہ بڑی فصلوں میں کمی کی وجہ سے زراعت کے شعبے میں 0.56 فیصد اضافہ ریکارڈ کیا گیا۔

سرمایہ کاری سے جی ڈی پی کا تناسب بہتر ہو کر 13.8 فیصد ہو گیا، جو مالی سال 2024 میں 13.1 فیصد کے مقابلے میں، مضبوط سرکاری اور نجی سرمایہ کی تشکیل سے تعاون یافتہ ہے۔ مجموعی فلکسڈ کیپٹل فارمیشن (GFCF) 13,814.7 بلین روپے رہی، جو کہ مالی سال 2024 کے مقابلے میں 15.0 فیصد اضافے کی نشاندہی کرتی ہے۔ نجی سرمایہ کاری میں 9.9 فیصد اضافہ ہوا، جب کہ سرکاری سرمایہ کاری بشمول عام حکومتی ترقیاتی اخراجات میں تیزی سے 34.2 فیصد اضافہ ہوا۔ قومی بچت میں بھی بہتری آئی، جو کہ جی ڈی پی کا 14.1 فیصد ریکارڈ کی گئی، جو کہ مضبوط گھریلو وسائل کو متحرک کرنے کی عکاسی کرتی ہے۔

پاکستان کی کیپٹل مارکیٹس، خاص طور پر ایکویٹی مارکیٹ نے مالی سال 2025 میں بڑی عالمی اسٹاک مارکیٹوں کے مقابلے میں اعلیٰ کارکردگی کا مظاہرہ کیا۔ KSE-100 انڈیکس نے جولائی تا مارچ مالی سال 2025 کے دوران 50.2 فیصد کی نمایاں نمو کا مظاہرہ کیا۔ اس اضافے کی وجہ مضبوط کارپوریٹ آمدنی، آئی ایم ایف کی کامیاب پالیسی اور آئی ایم ایف کی پہلی شرح میں کمی، دونوں میں کمی ہے۔ پروگرام، اور اس کے بعد کی قسطوں کی تقسیم، ان سب نے ایک مستحکم معاشی ماحول میں حصہ ڈالا جس سے سرمایہ کاروں کے اعتماد کو تقویت ملی۔



جون 2025 کو ختم ہونے والے سال کے لیے مضاربہ کمپنی کے ڈائریکٹرز کی تیس تہائی رپورٹ

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

مالياتی نتائج	ختم ہونے والے سال کیلئے
رقم پاکستانی کرنسی میں	
منافع ٹیکس سے پہلے	3,985,244
ٹیکسیشن اور لیویز	(2,791,940)
ٹیکسیشن	(803,200)
منافع ٹیکسز کے بعد	390,104
دیگر جامع (نقصان)/آمدنی کے اجزاء	(736,937)
سرپلس/(خسارہ) جمع شدہ نقصانات میں منتقل	1,143,968
قانونی ریزرو میں منتقلی	(78,021)
جمع شدہ نقصانات کو آگے لایا گیا۔	(52,593,230)
جمع شدہ نقصانات کو آگے بڑھایا	(51,874,116)
	(50,078,316)

تقسیم

-	-
-	-
-	-

منافع کی تقسیم @0.00% (2024@0.00%)
 بونس سر ٹیکسیٹس @0.00% (2024@0.00%)
 جزل ریزرو

**ALHAMD SHARIAH ADVISORY SERVICES****(PVT) LIMITED****Annual Shariah Advisor's Report***For the year ended June 2025*

We have reviewed the affairs of First Al Noor Modaraba managed by Al Noor Modaraba Management (Pvt.) Limited for the year ended June 30, 2025 as per the requirements of Circular No. 8 of 2012, issued by the Securities and Exchange Commission of Pakistan, concerning Shariah Compliance and the Shariah Audit Mechanism for Modarabas.

SHARIAH COMPLIANCE:

The Modaraba has established a mechanism to enhance Shariah compliance both in principle and practice. The systems, procedures, and policies adopted by the Modaraba are in alignment with Shariah principles.

Based on our review, the following were the major activities/developments related to Shariah during this period:

BANK ACCOUNTS:

The Modaraba does not hold any savings accounts with conventional banks. All accounts are held with Islamic banks or Islamic windows of commercial banks.

FRESH DISBURSEMENTS:

On the asset side, the Modaraba purchased various commodities, took proper possession, and subsequently sold them in the market. We have reviewed the relevant documents and confirm their compliance with Shariah.

INVESTMENTS IN EQUITY SHARES:

The Modaraba's entire equity investments were made in approved Shariah-compliant securities.

DIVIDEND PURIFICATION:

The Modaraba has successfully conducted the process of dividend purification for equities and has transferred the appropriate charitable amounts to charity.

TAKAFUL:

For risk mitigation, the Modaraba has effectively adopted and maintained Takaful coverage with Takaful companies, avoiding any coverage from conventional insurance companies.

CONCLUSION:

The Management of First Al-Noor Modaraba has earnestly demonstrated its commitment to adhering to Shariah Rulings in their true essence. Therefore, we believe that the business operations of First Al Noor Modaraba are in accordance with Shariah principles to the best of our knowledge.

**MUFTI UBAID UR RAHMAN ZUBAIRI**

For & on behalf of
Alhamd Shariah Advisory Services Private Limited
August 7, 2025





ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

سالانہ شریعہ ایڈوائزر رپورٹ

جون ۲۰۲۵

ہم نے فرسٹ انور مضاربہ کا شریعہ آڈٹ ایس ای سی پی کے جاری کردہ سرکلر ۸ سال ۲۰۱۴ کے Shariah اور Shariah Compliance کے Audit Mechanism for Modarabas کے مطابق سال جون ۲۰۲۵ کا شرعی جائزہ لیا ہے، جس کے نتیجے میں درج ذیل چیزیں سامنے آئیں: فرسٹ انور مضاربہ کے پاس، شریعہ کی دی گئی ہدایات پر موثر طریقہ سے عمل کرنے کا ایک میکنزم موجود ہے، جس کی وجہ سے فرسٹ انور مضاربہ کا نظام، طریقہ کار اور پالیسیاں شریعت کی دی گئی ہدایات کے مطابق ہیں۔ ہمارے جائزے کے مطابق اس عرصے کے دوران درج ذیل سرگرمیاں عمل پذیر ہوئیں:

بینک اکاؤنٹس: اس پورے مالی سال میں فرسٹ انور مضاربہ نے کسی بھی کنونشنل بینک کے سیونگ اکاؤنٹ کو استعمال نہیں کیا، اپنی تجارتی ضرورتوں کو پورا کرنے کے لیے فل فلیج یا ونڈو اسلامی بینکوں کے سیونگ اکاؤنٹس استعمال کیے گئے۔

فریش ڈسپوزیشن: ایسٹ سائڈ (Asset Side) پر فرسٹ انور مضاربہ نے مختلف خورد و نوش اشیاء کی خریداری کر کے ان پر قبضہ حاصل کیا اور انہیں مارکیٹ میں فروخت کیا۔ ہم نے متعلقہ دستاویزات کی جانچ پڑتال کی ہے جو شرعی ہدایات کے مطابق ہیں۔

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

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

خلاصہ: فرسٹ انور 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 انور مضاربہ کے بزنس کو شریعت کے مطابق سمجھتے ہیں۔ واللہ اعلم بالصواب

الرحمن
ع

مفتی عبید الرحمن زبیری

الحمدا شریعہ ایڈوائزر سروسز (پرائیویٹ) لمیٹڈ

۷ اگست ۲۰۲۵





Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023 To the Modaraba Management Company of First Al-Noor Modaraba

Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of First Al Noor Modaraba (the Modaraba) for assessing compliance of the Modaraba's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2025. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- (i) Legal and regulatory framework administered by the Commission;
- (ii) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- (iii) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- (iv) Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- (v) Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The above criteria were evaluated for their implications on the financial statements of the Modaraba for the year ended June 30, 2025, which are annexed.

Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts and transactions having Shariah implications, entered into by the Modaraba with its customers, other financial institutions, stakeholder and related policies and procedures are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our Independence and Quality Control (continued)

The firm applies International Standard on Quality Management 1 "Quality Management for firms that perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Modaraba's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2025 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). That standard requires that we plan and perform this engagement to obtain reasonable assurance about the compliance of the Modaraba's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles (criteria specified in paragraph 2 above).

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Modaraba's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Modaraba's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in paragraph 2 above).

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, the Modaraba's financial arrangements, contracts and transactions for the year ended June 30, 2025 are in compliance with the Shariah principles (criteria specified in the paragraph 2 above) in all material respects.

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Muhammad Rafiq Dosani**.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: September 26, 2025



GENDER PAY GAP STATEMENT

FIRST AL-NOOR MODARABA

Gender Pay Gap statement under Securities and Exchange Commission of Pakistan (SECP) Circular 10 of 2025.

Following is gender pay gap calculated for the year ended June 30, 2024:

- (i) **Mean** Gender Pay Gap: 53.72%
- (ii) **Median** Gender Pay Gap: 4.64%
- (iii) Any other data / details as deemed relevant: N/A/

For and on behalf of the Board of Directors

Sd/-
Zainuddin
Chief Executive

Date: September 11, 2025



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 2019 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

THE TERMS OF REFERENCE OF MODARABA MANAGEMENT COMMITTEE

Terms of Reference

The committee advises the board on the company's overall risk appetite and strategy based on the current and prospective macroeconomic and financial environment with the following responsibilities:

- Monitor the organisation's risk profile;
- About risk assessment:
 - Review and approve the risk management infrastructure and the critical risk management policies adopted by the Company.
 - Review regularly and approve the parameters used in these measures and the methodology adopted.
 - Set a standard for accurate and timely monitoring of large exposures and certain risk types of critical importance.
- Review and assess the effectiveness of the Company's Enterprise Risk Management processes and recommend improvements.



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2019 FIRST AL-NOOR MODARABA YEAR ENDED JUNE 30, 2025

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

- The total number of directors during the year are 7 (seven) as per the following:
 - Male 6
 - Female 1
- The composition of board is as follows :

Category	Names
Independent Directors	1) Mr. Tausif Ilyas 2) Barrister Naheed Shiraz Merchant 3) Mr. Kausar Ali Fecto
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. Noor Muhammad Zakaria 2) Mr. Zia Zakaria 3) Mr. Asad Ahmed Mohiuddin

- The directors have confirmed that none of them is serving as a director on more than seven listed companies including this Modaraba;
- 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;
- 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;
- 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;
- 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;
- The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- All the Directors of the Company have completed / are exempted from the requirement of Directors' Training program except one new elected Director, Mr. Kausar Ali Fecto who will obtained training within one year from the date of his appointment;



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. Zia Zakaria	Chairman
2.	Mr. Noor Muhammad Zakaria	Member
3.	Mr. Asad Ahmed Mohiuddin	Member

b) HR and Remuneration Committee

S.No.	Name	Designation
1.	Mr. Tausif Ilyas	Chairman
2.	Mr. Noor Muhammad Zakaria	Member
3.	Mr. Zainuddin Aziz	Member

13. The frequency of meetings of the committee were as per following:
 - a) Audit Committee - Quarterly
 - b) HR and Remuneration Committee - Yearly
14. The board has set up an effective internal audit function.
15. 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;
16. 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; and
17. Explanation for non-compliance with requirements during the year, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:



S.No.	Non-Mandatory Requirement	Regulation Number	Explanation
a.	The Board is responsible for governance and oversight of sustainability risks and opportunities and tasks appropriate measures to address it. Further, the Board ensures that the Company's sustainability and DE&I related strategies are periodically reviewed and monitored.	10A (1) (3) (4)	The Board will ensure that the Modaraba has addressed sustainability-related risks and opportunities. Also, it will ensure that Modaraba's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
b.	The Board may establish a dedicated sustainability committee or assign additional responsibilities to an existing Board committee.	10A (5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit Committee.

for and on behalf of the Board

Sd/-
Noor Zakaria
Director

Sd/-
Zainuddin Aziz
Chief Executive

Dated: September 11, 2025



INDEPENDENT AUDITOR'S REVIEW REPORT To the certificate holders of M/s. 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, 2025 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, 2025.

Further, we highlight below the instances where the Modaraba has made non-compliance with certain non-mandatory requirements of the Code, as disclosed in paragraph 19 of the Statement of Compliance:

S.No.	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(1)	Explanation for non-compliance is required	9	<p>As per the Regulation 19, it is encouraged that all directors serving on the Board obtain the prescribed certification under a Directors' Training Program offered by institutions, whether local or foreign, that meet the criteria specified and approved by the Commission. A newly appointed director may obtain the certification within one year from the date of appointment to the Board.</p> <p>As stated in paragraph 9, all Directors of the Company have either completed or are exempt from the Directors' Training Program requirement, except the newly elected Director, Mr. Kausar Ali Fecto, who will complete the training within one year of his appointment.</p>

S.No.	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(2)	Explanation for non-compliance is required	19	<p>As per the Regulation 10A, the Board is responsible for governance and oversight of sustainability risks and opportunities and, for this purpose, is required / encouraged to take a number of measures including, in particular, implementation of policies to promote diversity, equity and inclusion (DE&I); taking steps to proactively understand and address the principal as well as emerging sustainability risks and opportunities; ensuring that the Company's sustainability and DE&I related strategies, priorities and targets as well as performance against these targets are periodically reviewed and monitored; and establishment of dedicated sustainability committee having at least one female director, or assignment of additional responsibilities to an existing board committee.</p> <p>In accordance with Regulation 10A, the process of compliance is currently underway, and the matter remains under consideration by the Board. Upon finalization, the Board will assume and discharge all responsibilities prescribed under Regulation 10A until it deems it appropriate to establish a dedicated Sustainability Committee.</p>
(3)	Explanation for non-compliance is required	19	<p>As per the Regulation no. 10(3)(v) a formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and of its committees 3 [and it is encouraged to have regular independent evaluation of the board's performance at least every three years by an external body].</p> <p>As stated in paragraph 19 the Board recognizes the need for a formal mechanism to evaluate its performance, members, and committees as required under Regulation 10(3)(v). While informal reviews and feedback occur, no formal documented evaluations have yet been conducted. To address this, management has developed an updated framework with structured evaluation forms to be circulated annually to directors. Consolidated results will be reviewed and discussed by the Board from the next financial year to ensure systematic, transparent, and ongoing governance improvement in compliance with the Regulations.</p>
(4)	Explanation for non-compliance is required	19	<p>As per the Regulation no. 29 of the Regulations, the Board may constitute a separate committee, designated as the Nomination Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As stated in paragraph 19, the Company has not yet established a separate Nomination Committee. Nevertheless, the Board currently includes members possessing the expertise required under Regulation 29(2) of the Code of Corporate Governance. The creation of a dedicated Nomination Committee is under review and is expected to be approved at the forthcoming Board meeting.</p>

Sd/-

Karachi

Date: September 26, 2025

UDIN: CR202510210bi1JZHfPj

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants



INDEPENDENT AUDITOR'S REPORT

To the certificate holders of First Al-Noor Modaraba

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **First Al Noor Modaraba** (the Modaraba), which comprise the statement of financial position as at June 30, 2025, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), 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, 2025 and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Modaraba and Modaraba Company [Al-Noor Modaraba Management (Private) Limited] 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, we have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's reports thereon.

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Information Other than the Financial Statements and Auditor's Report Thereon (continued)

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Modaraba Company for the Financial Statements

Management of the Modaraba Company is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), and for such internal control as management of the Modaraba Company determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the Modaraba Company is responsible for assessing the Modaraba's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management of the Modaraba Company either intends to liquidate the Modaraba or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Modaraba Company are responsible for overseeing the Modaraba's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Modaraba's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Modaraba Company.
- Conclude on the appropriateness of management of the Modaraba Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Modaraba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Modaraba to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors of the Modaraba Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors of the Modaraba Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors of the Modaraba Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- (a) 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);

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Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq

CHARTERED ACCOUNTANTS

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Website: www.rsrir.com
Other Offices at
Lahore - Rawalpindi - Islamabad

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (continued)

- (b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows 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 are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Modaraba's business;
- (d) no zakat was deducted at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of the Modaraba for the year ended June 30, 2024 were audited by M/s. Grant Thornton Anjum Rahman, who, vide their report dated September 18, 2024, expressed an unmodified opinion.

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Muhammad Rafiq Dosani**.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: September 15, 2025

UDIN: AR202510210VrtSUGX7p



STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

	Note	June 30, 2025	June 30, 2024
----- Rupees -----			
ASSETS			
Current assets			
Cash and bank balances	4	133,917,532	92,712,516
Short term investments	5	42,357,431	38,799,648
Musawamah facility	6	-	-
Profit receivable	7	464,770	2,261,619
Stock in trade	8	68,258,142	78,661,336
Receivable from diminishing musharaka		-	751,570
Loans, advances, prepayments and other receivables	9	5,859,081	5,687,216
Current portion of diminishing musharaka financing		1,213,687	6,243,797
Taxation and levies - net	10	-	696,045
		252,070,643	225,813,747
Non-current assets			
Long term deposits	11	3,840,147	3,838,407
Long term investments - net	12	15,581,257	36,311,359
Diminishing musharakah financing	13	126,215	1,070,502
Deferred tax asset	14	1,985,267	1,017,198
Fixed assets in own use	15	1,260,847	1,065,606
Intangible assets for own use	16	150,787	-
		22,944,520	43,303,072
Total assets		275,015,163	269,116,819
EQUITY AND LIABILITIES			
Certificate holders' equity			
Authorised certificate capital 40,000,000 (2024: 40,000,000) certificates of Rs. 10 each	17.1	400,000,000	400,000,000
Issued, subscribed, and paid - up certificate capital	17.2	231,000,000	231,000,000
Capital reserves	18	77,845,276	77,362,662
Revenue reserves		(494,828,316)	(51,624,116)
		259,016,960	256,738,546
Deficit on revaluation of investments	19	(729,254)	(806,226)
Non - current liabilities			
Deferred liability - staff gratuity	20	7,480,736	6,536,176
Current liabilities			
Creditors, accrued and other liabilities	21	2,883,894	1,140,335
Charity payable	22	-	-
Provision for custom duty & surcharge	23	4,398,842	4,398,842
Taxation and levies - net	10	904,839	-
Unclaimed profit distributions		1,109,146	1,109,146
		9,246,721	6,648,323
Total Liabilities		16,727,457	13,184,499
Contingencies and commitments	24	-	-
Total equity and liabilities		275,015,163	269,116,819

The annexed notes from 1 to 40 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 OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	Note	June 30, 2025	Restated June 30, 2024
		----- Rupees -----	
Revenue - net			
Income from trading operations - net	25	15,817,650	(6,757,524)
Profit on Diminishing Musharakah Facility	26	2,196,949	6,981,569
Income from investments	27	25,647,882	33,255,672
		43,662,481	33,479,717
Administrative and operating expenses	28	(36,500,978)	(32,967,392)
Other income	29	2,631,994	2,720,312
		9,793,497	3,232,637
Financial and other charges		(19,652)	(27,055)
Unrealised loss on re-measurement of investments at fair value through profit or loss	5.4	(4,561,172)	(547,590)
Share of profit of associate - Shariah Compliant		155,307	1,408,584
Profit before charging Management Company's remuneration		5,367,980	4,066,576
Management Company's remuneration including sales tax	31	-	-
Profit before levies and taxation		5,367,980	4,066,576
Levies	32 & 40.1	(2,781,332)	(2,873,272)
Profit before taxation		2,454,250	1,193,304
Taxation	33	(173,578)	(803,200)
Profit after taxation		2,413,070	390,104
Earnings per certificate - basic and diluted	34	0.10	0.02

The annexed notes from 1 to 40 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 COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025	June 30, 2024
	----- Rupees -----	
Profit after taxation	2,413,070	390,104
Other comprehensive loss		
Items that will not be subsequently reclassified to profit or loss		
Remeasurement loss of net defined benefit liability	(1,429,161)	(601,947)
Share of other comprehensive (loss) / income of associate	(584,523)	21,697
Impact of deferred tax	87,678	(156,687)
Other comprehensive loss	(1,926,006)	(736,937)
Total comprehensive income / (loss) for the year transferred to equity- net of tax	487,064	(346,833)
Components of other comprehensive income / (loss) reflected below equity net of tax		
Surplus on re-measurement of investments classified as at fair value through other comprehensive income - net of deferred tax	1,868,322	2,552,784
Total comprehensive income for the year	2,355,386	2,205,951

The annexed notes from 1 to 40 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, 2025

	Issued, subscribed, and paid-up certificate capital	Capital reserves	Revenue reserves		Total
		Statutory reserve (refer note 20)	General reserve	Accumulated losses	
----- Rupees -----					
Balance as at July 01, 2023	231,000,000	77,284,641	250,000	(52,593,230)	255,941,411
Total comprehensive loss for the year ended June 30, 2024					
- Profit after taxation	-	-	-	390,104	390,104
- Other comprehensive loss	-	-	-	(736,937)	(736,937)
	-	-	-	(346,833)	(346,833)
Surplus transferred to accumulated losses	-	-	-	1,143,968	1,143,968
Transfer to statutory reserve	-	78,021	-	(78,021)	-
Balance as at June 30, 2024	231,000,000	77,362,662	250,000	(51,874,116)	256,738,546
Total comprehensive income for the year ended June 30, 2025					
- Profit for the year	-	-	-	2,413,070	2,339,981
- Other comprehensive loss	-	-	-	(1,926,006)	(1,926,006)
	-	-	-	487,064	413,975
Surplus transferred to accumulated losses	-	-	-	1,791,350	1,791,350
Transfer to statutory reserve	-	467,996	-	(482,614)	-
Balance as at June 30, 2025	231,000,000	77,830,658	250,000	(50,078,316)	258,943,871

The annexed notes from 1 to 40 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**



CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025	June 30, 2024
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and taxation	5,367,980	4,066,576
Adjustments for non-cash charges and other items:		
Depreciation on fixed assets	553,317	765,686
Ammortization on intangibles	12,226	-
Gain on sale of securities - net	(15,420,212)	-
Profit on bank deposits	(1,991,994)	(1,340,312)
Unrealised loss on re-measurement of investments at fair value through profit or loss	4,561,172	547,590
Share of gain of associate	(155,307)	(1,408,584)
Financial and other charges	19,652	27,055
Advance tax written off	-	4,343,312
Provision for gratuity	1,455,399	1,311,762
	<u>(10,965,747)</u>	<u>4,246,509</u>
Operating (loss) / profit before working capital changes	(5,597,767)	8,313,085
Working capital changes		
Decrease / (increase) in current assets		
- Diminishing musharakah financing	5,974,397	30,470,654
- Profit receivable	1,796,849	(1,038,022)
- Stock in trade	10,403,194	32,716,108
- Receivable form diminishing mushuarika	751,570	313,952
- Investments- net	29,476,706	5,268,151
- Loans, advances, prepayments and other receivables	(171,865)	(2,655,909)
Increase / (Decrease) in current liabilities		
- Creditors, accrued and other liabilities	1,586,198	(39,424)
- Charity Payable	-	-
Cash flow from operating activities	49,817,049	65,035,510
Long term deposits	(1,740)	4,504
Income taxes and levies paid	(2,133,298)	(4,760,941)
Financial charges paid	(19,652)	(27,055)
Gratuity paid	(1,940,000)	(309,500)
	<u>(4,094,690)</u>	<u>(5,092,992)</u>
Net cash generated from operating activities	40,124,592	68,255,603
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets in own use	(911,571)	(101,336)
Profit received on bank deposits	1,991,994	1,407,623
Net cash generated from investing activities	1,080,424	1,306,287
Net increase in cash and cash equivalents	41,205,016	69,561,890
Cash and cash equivalents as at beginning of the year	92,712,516	23,150,626
Cash and cash equivalents as at the end of year	133,917,532	92,712,516

The annexed notes from 1 to 40 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, 2025

1 STATUS AND NATURE OF BUSINESS

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 and listed on the Karachi and Lahore Stock Exchanges. 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 trading, providing Ijarah financing, Musharakah, Diminishing Musharakah, Musawamah, equity investment and other Shariah compliant trading activities.

2 BASIS OF PREPARATION

2.1 Statement of compliance with the applicable accounting and reporting standards

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

- International Financial Reporting Standards, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Standards (IFAS) issued by the Institute of Chartered Accountant of Pakistan as are notified under Companies Act, 2017,
- Requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations 2021; 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.

Wherever 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 differ from IFRS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations 2021, IFAS 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 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the measurement at fair value of:

- Long term investments
- Short term investments

in accordance with the requirements of IFRS 9 'Financial Instrument', wherever applicable.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Modaraba operates. These financial statements are presented in Pak Rupees which is the Modaraba's functional and presentation currency.

2.4 Use of estimates and judgments

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 3.2 and 3.3 respectively);

Estimate of residual values, useful lives and amortization methods of intangible assets for own use (note 3.4);

Impairment of financial assets (note 3.8.3);

Impairment of non financial assets (note no 3.5);

Taxation (note no 3.18);

Provisions and contingent assets and liabilities (note no 3.10); and

Staff retirement benefits (note no 3.17).

2.5 New accounting pronouncements

2.5.1 Amendments to existing standards that became effective during the year

The following new or amended standards and interpretations became effective for the financial year and are considered relevant to the Modaraba's financial statements:

- **IAS 1 – Classification of Liabilities as Current or Non-current (Amendments issued January 2020 and October 2022, effective January 1, 2024):**

Under the previous requirements of IAS 1, a liability was classified as current if the Company did not have an unconditional right to defer settlement for at least twelve months after the reporting date. Following the amendments, the requirement for the right to be "unconditional" has been removed. Instead, the amendments specify that the right to defer settlement must be substantive and must exist as of the reporting date. Such a right may depend on the Company's compliance with conditions (covenants) set out in a loan agreement.

In October 2022, the IASB clarified that only covenants that the Company is required to comply with on or before the reporting date affect whether a liability is classified as current or non-current. Covenants that are tested after the reporting date (i.e., future covenants) do not impact classification at that date. However, if non-current liabilities are subject to future covenants, the Company must provide additional disclosures to enable users to understand the risk that such liabilities could become repayable within twelve months after the reporting date.

- **IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments issued September 2022, effective January 1, 2024):**

The amendments affect how a seller-lessee accounts for variable lease payments arising from a sale-and-leaseback transaction. At the time of initial recognition, the seller-lessee is required to include variable lease payments when measuring the lease liability. Subsequently, the seller-lessee applies the general requirements for lease liability accounting in a way that ensures no gain or loss is recognised in relation to the right-of-use asset it retains. These amendments introduce a new accounting model for variable lease payments and may require seller-lessees to reassess and, in some cases, restate previously recognised sale-and-leaseback transactions.

The above standards, amendments to approved accounting standards and interpretations have not been early adopted by the Company and are do not have any material impact on the Company's financial statements.

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

The following standards and amendments have been issued but are not effective for the financial year beginning July 1, 2024 and have not been early adopted by the Modaraba:

- IAS 21 – The Effects of Changes in Foreign Exchange Rates (Amendments: Lack of Exchangeability, effective January 1, 2025):

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates address circumstances where a currency is not exchangeable, often due to government restrictions. In such cases, entities are required to estimate the spot exchange rate that would apply in an orderly transaction at the measurement date. The amendments permit flexibility by allowing the use of observable exchange rates without adjustment or other estimation methods, provided these meet the overall estimation objective. When assessing this, entities should consider factors such as the existence of multiple exchange rates, their intended use, nature, and frequency of updates. The amendments also introduce new disclosure requirements, including details of the non-exchangeability, its financial impact, the spot rate applied, the estimation approach used, and related risks.

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective January 1, 2026):

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments – Classification and Measurement provide clarifications and updates in several areas. They refine the requirements around the timing of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for financial liabilities settled via electronic cash transfer systems. The amendments also clarify and expand the guidance on assessing whether a financial asset meets the “solely payments of principal and interest” (SPPI) criterion. In addition, new disclosure requirements are introduced for instruments with contractual terms that can alter cash flows, such as those linked to environmental, social, and governance (ESG) targets. Further updates are also made to the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

- IFRS 17 – Insurance Contracts (effective January 1, 2026 in Pakistan, as directed by SECP vide SRO 1715(I)/2023):

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity’s financial position, financial performance and cash flows. SECP vide its SRO 1715(I)/2023 dated November 21, 2023 has directed that IFRS 17 shall be followed for the period commencing January 1, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business.

Annual Improvements – Volume Eleven (effective January 1, 2026):

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1) - The amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- Gain or Loss on Derecognition (Amendments to IFRS 7) - To update the language on unobservable inputs and to include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.
- Introduction (Amendments to Guidance on implementing IFRS 7) - To clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) - Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

- Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) - Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.
- Transaction Price (Amendments to IFRS 9) - Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term "transaction price" in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.
- Determination of a 'De Facto Agent' (Amendments to IFRS 10) - The amendment is intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.
- Cost Method (Amendments to IAS 7) - Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

The above standards, amendments to approved accounting standards and interpretations have not been early adopted by the Company and are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2025:

- **IFRS 18 – Presentation and Disclosure in Financial Statements**

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

Major Impact on Companies' Financial Statements:

IFRS 18 will require the Company to restructure their statement of profit or loss into operating, investing, and financing categories, which may alter familiar subtotals such as operating profit. This standard focuses on disaggregation will expand disclosures, requiring more detailed breakdowns of income, expenses, and significant transactions, rather than broad groupings. Adoption will also demand updates to reporting systems and processes, increasing compliance effort, but ultimately enhancing transparency, comparability, and investor confidence.

- **IFRS 19 – Subsidiaries without Public Accountability: Disclosures**

IFRS 19 – Subsidiaries without Public Accountability: Disclosures introduces reduced disclosure requirements for eligible subsidiaries that apply IFRS Accounting Standards. It applies to subsidiaries without public accountability whose parent prepares publicly available consolidated IFRS financial statements. Recognition and measurement remain fully aligned with IFRS, while disclosures are significantly simplified. The standard aims to ease the reporting burden without compromising the usefulness of information, and adoption is voluntary.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

3.1 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 is 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 statement of 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.

3.2 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 statement of profit and loss as and when incurred.

Depreciation on all fixed assets is charged to statement of profit and loss applying the straight-line method over the useful life of the asset as disclosed in note 15.1 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 statement of profit and loss, in the period in which they arise.

Repairs and maintenance are charged to statement of profit and loss as and when incurred.

3.3 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 16 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 reporting 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 statement of profit and loss.

3.4 Impairment of non-financial assets

The Modaraba assesses at each reporting 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 statement of profit and loss. 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.

3.5 Stock in trade

Stock of raw material, work in process and finished goods are measured 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 reporting 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.

3.6 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand and balances with banks.

3.7 Financial Instruments- Initial recognition and subsequent measurement

3.7.1 Initial recognition

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

3.7.1.1 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 statement of profit and loss account on derecognition.
- Equity instruments at FVOCI, with no recycling of gains or losses to statement of profit and loss 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.

3.7.1.2 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.

3.7.2 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 in the period in which they arise.

3.7.3 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 forwarding-looking information in determination of ECL. The allowance is increased by provisions charged to statement of profit and loss 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.



3.7.4 Derecognition

3.7.4.1 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 statement of profit and loss, but transferred to statement of changes in equity.

3.7.4.2 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 statement of profit and loss.

3.7.5 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position 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.

3.8 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.

3.9 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.

3.10 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.

3.11 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.

3.12 Provisions and contingent liabilities

Provisions

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 reporting 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.

3.13 Commitments

Commitments are disclosed in the financial statements at committed amounts.

3.14 Revenue

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.

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 statement of profit and loss 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.

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.

Musawamah Finance

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

Dividend Income

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

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.

Return on deposit with bank

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

Income from Shariah non-compliant revenue

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

3.15 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.

3.16 Earnings 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.

3.17 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.

3.18 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position 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.

3.19 Staff retirement benefits

Staff 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.

**3.20 Taxation***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. Further, levies are accounted for in accordance with the requirement of IFRIC - 21.

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 statement of profit and loss, 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.

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
4 CASH AND BANK BALANCES			
With banks in current accounts			
- Islamic Banks / Islamic Window Operations		926,746	874,977
- Conventional Banks		692,037	486,224
		<u>1,618,783</u>	<u>1,361,201</u>
With banks in PLS accounts			
- Islamic Banks / Islamic Window Operations	4.1	57,298,749	16,351,315
With Banks in term deposit accounts (TDRs)			
- Islamic Banks / Islamic Window Operations	4.2	75,000,000	75,000,000
		<u>133,917,532</u>	<u>92,712,516</u>
4.1	These saving accounts carry profit at rates ranging from 5.72% to 9.5% (June 30, 2024: 6.99% to 11.01 %) per annum.		
4.2	These represents TDRs carrying profit rate of 14.08% (June 30, 2024: 20.5%) and having maturity upto 3 months.		
		June 30, 2025	June 30, 2024
5 SHORT TERM INVESTMENTS	Note	----- Rupees -----	
At fair value through profit or loss			
Shariah compliant			
Listed equity securities	5.1 & 40.1	41,729,535	16,400,060
Listed Mutual funds	5.2	141,177	20,872,603
Non Shariah compliant			
Listed equity securities	5.3 & 40.1	486,720	1,526,985
		<u>42,357,431</u>	<u>38,799,648</u>



5.1 Investments in ordinary shares of shariah compliant listed companies

Unless stated otherwise, the following holdings are in ordinary shares/certificates of Rs. 10/- each.

		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
		--- Number of Shares ---		----- Rupees -----	
Listed equities securities					
TEXTILE COMPOSITE					
Nishat Mills Limited	NML	-	1,500	-	106,275
CEMENT					
Maple Leaf Cement Factory Limited	MLCF	-	7,500	-	285,000
REFINERY					
Cnergyco PK Limited	CENERGY	-	37,000	-	142,450
Pakistan Refinery Limited	PRL	100,000	32,000	3,393,000	742,400
				3,393,000	884,850
POWER GENERATION & DISTRIBUTION					
The Hub Power Company Limited	HUBC	-	1,500	-	244,620
K-Electric Limited	KEL	-	50,000	-	231,500
				-	476,120
OIL & GAS MARKETING COMPANIES					
Pakistan State Oil Company Limited	PSO	10,900	9,000	4,115,077	1,495,890
Sui Northern Gas Pipelines Limited	SNGP	-	6,500	-	412,555
Sui Southern Gas Company Limited	SSGC	-	15,000	-	142,200
				4,115,077	2,050,645
OIL & GAS EXPLORATION COMPANIES					
Oil & Gas Development Company Limited	OGDC	24,500	9,500	5,403,720	1,286,015
Mari Petroleum Company Limited	MARI	3,500	-	2,194,115	-
Pakistan Petroleum Limited	PPL	46,000	23,000	7,827,820	2,693,530
				15,425,655	3,979,545
AUTOMOBILE ASSEMBLER					
Ghandhara Tyre & Rubber Co Limited	GTYR	2,200	-	88,638	-
Millat Tractors Limited	MTL	1,500	-	837,990	-
				926,628	-
TECHNOLOGY & COMMUNICATION					
Avanceon Limited	AVN	-	9,000	-	486,180
NetSol Technologies Limited	NETSOL	2,500	-	332,400	-
Octopus Digital Limited	OCTOPUS	55,000	-	2,832,500	-
Systems Limited	SYS	-	900	-	376,470
Air Link Communication Limited	AIRLINK	15,000	-	2,289,600	-
				5,454,500	862,650
FERTILIZER					
Engro Fertilizers Limited	EFERT	2,577	4,500	478,265	747,990
PHARMACEUTICALS					
Citi Pharma Limited	CPHL	25,000	-	2,099,250	-
The Searle Company Limited	SEARL	17,000	98,000	1,490,900	5,597,760
				3,590,150	5,597,760
CHEMICAL					
Berger Paints Pakistan Limited	BERG	-	2,500	-	180,125
Engro Polymer & Chemicals Limited	EPCL	-	12,000	-	528,240
Biafo Industries Limited	BIFO	25,000	-	4,390,500	-
				4,390,500	708,365
FOOD & PERSONAL CARE PRODUCTS					
Al Shaheer Corportation Limited	Asc	-	3,000	-	24,210
At-Tahur Limited	PREMA	-	15,000	-	210,150
The Organic Meat Company Limited	TOMCL	-	-	-	-
Treet Corporation Limited	TREET	-	15,000	-	233,400
Wafi Foods Limited	WAFI	20,000	-	3,693,800	-
				3,693,800	467,760
GLASS & CERAMICS					
Tariq Glass Industries Limited	TGL	-	2,000	-	233,100
				41,729,535	16,400,060



	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	
	--- Number of units ---		----- Rupees -----		
5.2 Shariah compliant Listed Mutual Funds - 'at fair value through profit or loss'					
Listed Mutual Funds					
MCB Alhamra Islamic Income Fund	1,357	200,865	<u>141,177</u>	<u>20,872,603</u>	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	
	--- Number of units ---		----- Rupees -----		
5.3 Non Shariah Compliant listed equity securities - 'at fair value through profit or loss' Face value of Rs.10 /-each					
Refinery					
National Refinery Limited	NRL	2,000	4,500	486,720	1,194,660
Miscellaneous					
Pakistan Aluminium Beverage Cans Limited	PABC	-	4,500	-	332,325
			<u>486,720</u>	<u>1,526,985</u>	
			June 30, 2025	June 30, 2024	
			----- Rupees -----		
5.4 Unrealised loss on remeasurement of investments at fair value through profit or loss					
On shariah compliant investments			3,150,742	517,497	
On non - shariah compliant investments			<u>1,410,430</u>	<u>30,093</u>	
			<u>4,561,172</u>	<u>547,590</u>	
6 MUSAWAMAH FACILITY - secured					
Musawamah facility - considered doubtful			19,980,000	20,620,000	
Less: provision against potential losses			<u>(19,980,000)</u>	<u>(20,620,000)</u>	
		6.1 & 6.2	<u>-</u>	<u>-</u>	
6.1 Musawamah facility (Classified portfolio)	June 30, 2025		June 30, 2025		
	Balance outstanding	Provision held	Balance outstanding	Provision held	
	----- (Rupees) -----				
Loss	<u>19,980,000</u>	<u>(19,980,000)</u>	<u>20,620,000</u>	<u>(20,620,000)</u>	



- 6.2** This represents musawamah principal amount overdue by more than one year carried profit rate of 10% (June 30, 2024: 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 million and Rs. 0.68 million respectively.

Further, Modaraba had also filed for registration of criminal complaint against M/s Quetta Textile Mills Limited.

M/s Quetta Textile Mills Limited had filed a suit against Modaraba for the recovery of Rs. 76.898 million 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 ended June 30, 2022, Quetta Textiles Mills Limited approached the Modaraba for out of court settlement. 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 by the Modaraba as per the agreed schedule. During the year ended June 30, 2025 and June 30, 2024 an amount of Rs. 0.64 million and Rs. 1.4 million have been received respectively.

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
7 PROFIT RECEIVABLE			
Profit on Sukuk Certificates		115,351	484,479
Term deposit receipt profit		349,419	1,745,034
Profit or loss savings bank account		-	32,106
		<u>464,770</u>	<u>2,261,619</u>
8 STOCK IN TRADE			
Rice		<u>68,258,142</u>	<u>78,661,336</u>
9 LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Loans to staff	9.1	1,252,000	700,000
Advances - considered good			
- Suppliers		202,254	129,931
- Employees	9.2	35,000	52,000
Prepayments		789,453	1,029,863
Broker accounts receivable		2,952,855	3,129,227
Dividend receivable		-	18,676
Sales tax receivable	9.3	627,519	627,519
		<u>5,859,081</u>	<u>5,687,216</u>

- 9.1** This represents short term loan given to the senior staff. These are given as per the Modaraba's policy and are secured against the salary and retirement benefit. The maximum aggregate amount at any time during the year is Rs. 1,490,000 (2024: Rs. 700,000).
- 9.2** The maximum aggregate amount at any time during the year is Rs. 300,000 (June 2024: Rs. 250,000).
- 9.3** This represents an amount of Rs. 0.63 million (2024: 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 by the Management Company.



		June 30, 2025	June 30, 2024
		----- Rupees -----	
10	TAXATION AND LEVIES - NET		
	Income tax refundable	696,045	3,528,462
	Provision for income tax for current year	(1,060,210)	(458,106)
	Provision for levies for current year	(2,673,972)	(2,791,940)
	Advance tax written off	-	(4,343,312)
	Income tax adjusted / deducted at source	<u>2,133,298</u>	<u>4,760,941</u>
		<u>(904,839)</u>	<u>696,045</u>
11	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 Bank Limited	440,000	440,000
	Mobile Phone - Pakistan Mobile Communication	12,489	12,489
	Security Deposit- CDC Pakistan Limited	<u>37,658</u>	<u>35,918</u>
		<u>3,840,147</u>	<u>3,838,407</u>
12	LONG TERM INVESTMENTS - NET		
	Investment in Associates - Shariah compliant	12.1 9,406,239	9,835,455
	At fair value through other comprehensive income		
	Shariah compliant		
	Equity securities-listed	12.2 1,175,018	2,719,460
	Mutual funds-listed	12.3 -	13,756,444
		1,175,018	16,475,904
	At Amortised Cost		
	Investment in Sukuk Certificates	12.4 5,000,000	10,000,000
		<u>15,581,257</u>	<u>36,311,359</u>
12.1	Investment in Associates		
	Opening Balance	9,835,455	9,402,149
	Share of other comprehensive (loss) / income of associate	(584,523)	21,697
	Share of profit of associate	155,307	1,408,584
		(429,216)	1,430,281
	Dividend income	-	(996,975)
		<u>9,406,239</u>	<u>9,835,455</u>
12.1.1	This represents investment in associate, the Al-Noor Sugar Mills Limited 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 2024: 0.54%) share capital of the Al-Noor Sugar Mills. However, Al-Noor Sugar Mills Limited is associated company of the Modaraba based on the common directorship. The associate is accounted for using equity method in these financial statements.		
12.1.2	The financial year end of the Al-Noor Sugar Mills Limited is September 30. This was the reporting date established when that Company was incorporated. For the purposes of applying the equity method of accounting, the unaudited financial statements of Al-Noor Sugar Mills Limited for the year ended June 30, 2025 have been used to reflect the profit /(loss) for the year. As at June 30, 2025, the fair value of the Modaraba's interest in Al-Noor Sugar Mills is disclosed in 12.1.3 based on the quoted market price available on the Pakistan Stock Exchange, which is a level 1 input in terms of IFRS 13.		



12.1.3 The summarized unaudited financial information in respect the Al-Noor Sugar Mills Limited 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, 2025	June 30, 2024
	----- Rupees -----	
Number of shares held (number)	110,775	110,775
Ownership interest (%)	0.54%	0.54%
	June 30, 2025	June 30, 2024
	----- Rupees -----	
Share capital ordinary shares of Rs 10. each	204,737	204,737
Total assets	20,700,625	22,769,796
Total liabilities	13,638,168	11,810,746
Net assets	7,062,457	10,959,050
Revenue	11,535,860	18,450,563
Profit after taxation	39,975	260,848
Other comprehensive (loss) / income	(108,033)	4,017,963
Cost of investment	1,482,481	1,482,481
Market value of shares	8,745,686	9,415,875

12.1.4 The Company's share of contingencies of associated company based on financial information of associated company is Rs. 55.36 million (June 30, 2024: Rs. 55.36 million).

12.1.5 The Company's share of commitments of associated company based on financial information of associated company is Rs. 1.80 million (June 30, 2024: 1.03 million).

	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	
	--- Number of Shares ---		----- Rupees -----		
12.2	Shahriah Compliant listed equity securities				
	- at fair value through other comprehensive				
	income' Face value of Rs.10 /-each				
	Listed equities securities				
COMPANY	SYMBOL				
MODARABAS					
First Habib Modaraba	FHAM	5000	10000	123,550	160,092
First Imrooz Modaraba	FIMM	4537	4160	831,859	719,680
OLP Modaraba (Formerly Orix Modaraba)	OLPM	11700	11000	219,609	149,820
				1,175,018	1,029,592
AUTOMOBILE ASSEMBLER					
Gandhara Automobiles Limited	GAL	-	3093	-	540,409
Gandhara Industries Limited	GHNI	-	4100	-	1,120,899
				-	1,661,308
PHARMACEUTICALS					
The Searle Company Limited	SEARL	-	500	-	28,560
				1,175,018	2,719,460



	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	--- Number of Shares ---		----- Rupees -----	
12.3 Listed Mutual Funds - 'at fair value through other comprehensive income'				
Listed Mutual Funds				
Atlas Islamic Money Market Fund	-	2,308	-	1,161,366
NBP Islamic Daily dividend Fund	-	111,016	-	1,110,168
NBP Islamic Government Securities Plan-III	-	-	-	-
HBL Islamic Money Market Fund	-	84,037	-	8,502,408
MCB Alhamra Islamic Money Market Fund	-	-	-	-
MCB Alhamra Daily Dividend Fund	-	-	-	-
MCB Alhamra Cash Management Optimizer	-	-	-	-
Meezan Rozana Amdani Fund	-	59,650	-	2,982,503
Meezan Sovereign Fund	-	-	-	-
			-----	13,756,445
			=====	
12.4 Two separate investment made in sukuk certificates of Tier II of AlBaraka Bank Pakistan Limited and Meezan Bank Limited carrying profit of six months of KIBOR to spread of 0.50% to 7.50% (June 30, 2024: KIBOR to spread of 0.35% to 1.25%). These will mature by year 2031.			June 30, 2025	June 30, 2024
			----- Rupees -----	
13 DIMINISHING MUSHARAKAH FINANCING - Secured				
Diminishing musharakah financing			1,339,902	7,314,299
Less: Provision in respect of diminishing musharakah			-	-
			1,339,902	7,314,299
Less: Current portion			(1,213,687)	(6,243,797)
			126,215	1,070,502
			=====	=====
13.1 These carry profit rate ranging from 9.22% to 11.00% (2024: 9.22% to 15.40%) 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.				
14 DEFERRED TAX LIABILITY / (ASSET)				
For the year ended June 30, 2025				
	Balance at beginning of the year	Charge / (income) recognized in profit or loss	Charge / (income) recognized in other comprehensive income	Balance at end of the year
	----- Rupees -----			
Deferred tax liability arising from:				
- Investment in associate	1,252,946	23,296	(87,678)	1,188,564
- Intangibles	-	43,728	-	43,728
Deferred tax assets arising from:				
- Accelerated tax depreciation	(328,493)	(38,566)	-	(367,059)
- Long term investment	(65,370)	-	6,241	(59,129)
- Short term investment	(68,449)	(809,170)	-	(877,619)
- Provision for welfare workers	(42,841)	(22,873)	-	(65,714)
- Provision for gratuity	(1,764,991)	(83,047)	-	(1,848,038)
	(2,270,144)	(953,656)	6,241	(3,217,559)
Net deferred tax	(1,017,198)	(886,632)	(81,437)	(1,985,266)
	=====	=====	=====	=====



For the year ended June 30, 2024

	Balance at beginning of the year	Charge / (income) recognized in profit or loss	Charge / (income) recognized in other comprehensive income	Balance at end of the year
	----- Rupees -----			
Deferred tax liability arising from:				
- Investment in associate	1,187,950	59,137	5,859	1,252,946
Deferred tax assets arising from:				
- Accelerated tax depreciation	(219,712)	(108,781)	-	(328,493)
- Long term investment	(316,434)	178,002	73,062	(65,370)
- Short term investment	(678,009)	609,560	-	(68,449)
- Provision for welfare workers	(35,112)	(7,729)	-	(42,841)
- Provision for gratuity	(1,217,350)	(385,095)	(162,546)	(1,764,991)
	(2,466,617)	285,957	(89,484)	(2,270,144)
Net deferred tax	(1,278,667)	345,094	(83,625)	(1,017,198)

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
15 FIXED ASSETS IN OWN USE			
Tangible assets	15.1	1,260,847	1,065,606

15.1 Tangible assets

	Computer equipment	Office equipment and appliances	Furniture and Fixtures	Motor Vehicles	Total
	----- Rupees -----				
As at June 30, 2023					
Cost	1,126,680	918,300	1,165,166	5,091,382	8,301,528
Accumulated depreciation	(921,105)	(597,597)	(635,745)	(4,417,125)	(6,571,572)
Net book value	205,575	320,703	529,421	674,257	1,729,956
Movement during the year ended June 30, 2025					
Opening net book value	205,575	320,703	529,421	674,257	1,729,956
Addition for the year	-	101,336	-	-	101,336
Depreciation for the year	(136,486)	(150,695)	(84,918)	(393,587)	(765,686)
Closing net book value	69,089	271,344	444,503	280,670	1,065,606
As at June 30, 2024					
Cost	1,126,680	1,019,636	1,165,166	5,091,382	8,402,864
Accumulated depreciation	(1,057,591)	(748,292)	(720,663)	(4,810,712)	(7,337,258)
Net book value	69,089	271,344	444,503	280,670	1,065,606
Movement during the year ended June 30, 2025					
Opening net book value	69,089	271,344	444,503	280,670	1,065,606
Addition for the year	173,331	8,050	39,500	527,677	748,558
Depreciation for the year	(9,960)	(147,882)	(116,763)	(278,712)	(553,317)
Closing net book value	232,460	131,512	367,240	529,635	1,260,847
As at June 30, 2025					
Cost	1,300,011	1,027,686	1,204,666	5,619,059	9,151,422
Accumulated depreciation	(1,067,551)	(896,174)	(837,426)	(5,089,424)	(7,890,575)
Net book value	232,460	131,512	367,240	529,635	1,260,847
Annual rates of depreciation	30%	30%	10%	20%	



	June 30, 2025	June 30, 2024
	----- Rupees -----	
16 INTANGIBLE ASSETS FOR OWN USE		
Intangibles	<u>150,787</u>	<u>-</u>
	Software	Web page design
	----- Rupees -----	
16.1 INTANGIBLE ASSETS FOR OWN USE		
Cost	225,000	88,000
Accumulated amortization	(225,000)	(88,000)
Net book value	<u>-</u>	<u>-</u>
<i>Movement during the year ended June 30, 2024</i>		
<i>Carrying amount at July 1, 2023</i>	-	-
<i>Additions during the year</i>	-	-
<i>Amortization charge for the year</i>	-	-
<i>Net book amount</i>	<u>-</u>	<u>-</u>
At June 30, 2024		
Cost	225,000	88,000
Accumulated amortization	(225,000)	(88,000)
Net book amount	<u>-</u>	<u>-</u>
<i>Movement during the year ended June 30, 2025</i>		
<i>Carrying amount at July 1, 2024</i>	-	-
<i>Additions during the year</i>	-	163,013
<i>Amortization charge for the year</i>	-	(12,226)
<i>Closing net book amount</i>	<u>-</u>	<u>150,787</u>
At June 30, 2025		
Cost	225,000	251,013
Accumulated amortization	(225,000)	(100,226)
Net book amount	<u>-</u>	<u>150,787</u>
Annual rates of amortization	<u>30%</u>	<u>30%</u>

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

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



17 CERTIFICATE CAPITAL

17.1 Authorised certificate capital

June 30, 2025	June 30, 2024		June 30, 2025	June 30, 2024
---- Number of certificates ----			----- Rupees -----	
<u>40,000,000</u>	<u>40,000,000</u>	Modaraba certificates of Rs. 10 each	<u>400,000,000</u>	<u>400,000,000</u>

17.2 Issued, subscribed and paid - up certificate capital

June 30, 2025	June 30, 2024		June 30, 2025	June 30, 2024
---- Numbers ----			----- Rupees -----	
<u>20,000,000</u>	<u>20,000,000</u>	Modaraba certificates of Rs. 10 each fully paid in cash	<u>200,000,000</u>	<u>200,000,000</u>
<u>1,000,000</u>	<u>1,000,000</u>	Modaraba certificates issued as bonus	<u>10,000,000</u>	<u>10,000,000</u>
<u>2,100,000</u>	<u>2,100,000</u>	Modaraba certificates issued as bonus	<u>21,000,000</u>	<u>2,100,000</u>
<u>23,100,000</u>	<u>23,100,000</u>		<u>231,000,000</u>	<u>23,100,000</u>

17.3 As at June 30, 2025, First Al-Noor Modaraba Management (Private) Limited (the Management Company and a related party) held 4,620,000 certificates (June 30, 2024: 4,620,000 certificates), as required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

18 STATUTORY RESERVE

The Statutory reserve represents profits set aside as per the Modaraba Regulations, 2021 issued by the SECP.

These regulations also required that, if minimum equity requirements are applicable on any Modaraba and are not compliant, such Modarabas may create a reserve fund which shall be credited an amount equivalent to one hundred percent of its annual after-tax profit till such time the minimum equity requirements are complied with. However, the minimum equity requirement does not apply to the Modaraba.

During the current year the Modaraba has transferred an amount of Rs. 482,614 (June 30, 2024: Rs. 78,021). These funds are not available for distribution.

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
19 DEFICIT ON REVALUATION OF INVESTMENTS - net of tax - Classified As 'FVTOCI'			
Market value of investments		1,175,018	16,475,903
Less: cost of investments		(1,963,401)	(17,347,499)
Impact of deferred tax		<u>59,129</u>	<u>65,370</u>
		<u>(729,254)</u>	<u>(806,226)</u>
Deficit on revaluation at the beginning of the year		(806,226)	(2,215,042)
(Surplus) / Deficit transferred to accumulated losses		<u>(1,791,350)</u>	<u>(1,143,968)</u>
Surplus / (Deficit) on revaluation during the year- net of tax		<u>1,868,322</u>	<u>2,552,784</u>
		<u>76,972</u>	<u>1,408,816</u>
Deficit on revaluation at the end of the year		<u>(729,254)</u>	<u>(806,226)</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.



20 DEFERRED LIABILITY - STAFF GRATUITY

The Modaraba operates an unfunded gratuity scheme for its permanent employees. The latest actuarial valuation of the plan was carried out as at June 30, 2025 by M/s. Nauman Associates, using Projected Unit Credit Method.

Details of the defined benefit plan are presented below :

	Note	June 30, 2025	June 30, 2024
----- Rupees -----			
20.1 Movement in defined benefit obligation			
Opening balance		6,536,176	4,931,967
Expense recognized in profit or loss	20.2	1,455,399	1,311,762
Remeasurement loss recognized in other comprehensive income	20.3	1,429,161	601,947
Benefits paid		<u>(1,940,000)</u>	<u>(309,500)</u>
Closing balance		<u>7,480,736</u>	<u>6,536,176</u>
20.2 Expense recognized in profit or loss			
Current service cost		648,303	559,350
Interest cost on defined benefit obligation		<u>807,096</u>	<u>752,412</u>
		<u>1,455,399</u>	<u>1,311,762</u>
20.3 Remeasurement loss recognized in other comprehensive income			
Actuarial losses arising from:			
- Changes in financial assumptions		(165,874)	(51,059)
- Experience adjustments		<u>1,595,035</u>	<u>653,006</u>
		<u>1,429,161</u>	<u>601,947</u>
20.4 Sensitivity analysis of defined benefit obligation			
Discount rate + 100 bps		7,045,524	5,899,479
Discount rate - 100 bps		8,683,108	7,269,651
Rate of salary increase + 100 pbs		<u>8,752,847</u>	<u>7,308,805</u>
Rate of salary increase - 100 pbs		<u>6,969,560</u>	<u>5,853,320</u>

The 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 defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability for gratuity recognized within the statement of financial position.

20.5 Principal actuarial assumptions used	2025	2024
Mortality rates	SLIC 2001-2005	SLIC 2001-2005
Discount rate used for interest Cost in P&L charge	<u>14.50%</u>	<u>15.75%</u>
Discount rate used for year end obligation	<u>12.50%</u>	<u>14.50%</u>
Expected rate of increase in salaries	<u>11.50%</u>	<u>13.50%</u>
Retirement age	<u>60 years</u>	<u>60 years</u>



20.6 As at June 30, 2025, the weighted average duration of the defined benefit plan was 10.5 years (2024: 10 years).

20.7 The scheme exposes the Company to the actuarial risks such as:

20.7.1 Salary risk

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

20.7.2 Demographic risks

- *Mortality risk:*

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- *Withdrawal risk:*

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
21 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Accrued expenses		1,513,739	475,614
Takaful		13,350	18,400
Advances from customers		137,716	239,591
Provision for Worker's Welfare Fund		266,007	158,649
Audit fee payable		877,298	222,298
Others		25,783	25,783
		<u>2,833,894</u>	<u>1,140,335</u>
22 CHARITY PAYABLE			
Opening balance		-	-
Add: amount credited during the year		319,762	8,906
		<u>319,762</u>	<u>8,906</u>
Less: paid during the year		(319,762)	(8,906)
Closing balance		<u>-</u>	<u>-</u>
23 PROVISION FOR CUSTOM DUTY & SURCHARGE			
Custom duty / surcharges	23.1	<u>4,398,842</u>	<u>4,398,842</u>
23.1	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.		

**24 CONTINGENCIES AND COMMITMENTS****24.1 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 21.1, 6.2 and 23.1 respectively.

24.2 Commitments

There are no commitments as at June 30, 2025 (June 30, 2024: Nil).

	June 30, 2025	June 30, 2024
	----- Rupees -----	
25 INCOME FROM TRADING OPERATIONS		
Gross Sales - Shariah compliant		
Rice Sales	181,662,787	93,768,021
Maize Sales	-	10,851,897
	181,662,787	104,619,918
Sales tax	-	-
Net Sales	181,662,787	104,619,918
Cost of sales	(165,845,137)	(111,377,442)
	25.1	(6,757,524)
25.1 Cost of sales		
Opening stock	78,661,336	111,377,444
Purchases	155,441,953	78,661,334
Less: closing stock	(68,258,152)	(78,661,336)
Cost of sales	165,845,137	111,377,442
26 INCOME ON DIMINISHING MUSHARAKA		
Income on diminishing musharaka	2,196,949	6,981,569
27 INCOME FROM INVESTMENTS		
Shariah Compliant		
Gain on sale of securities - net	15,420,212	6,525,256
Dividend income	3,008,018	7,609,399
Profit on Sukuk Certificates	1,070,896	2,178,970
Profit on investment in Islamic certificates and term deposit receipts	6,148,757	16,942,047
	27.1	25,647,882
27.1 Dividend income		
FVTOCI (shares held at reporting date)	79,275	93,921
FVTPL	2,928,743	7,515,478
	3,008,018	7,609,399



	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
28 ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and others staff benefits	28.1	22,291,415	18,162,262
Rent, rates and taxes		1,722,226	5,678,770
Takaful	28.2	1,029,583	1,334,302
Postage and telephone		473,218	353,351
Printing and stationary		287,285	341,214
Fee & subscription	28.3	2,672,021	2,458,066
Legal and professional charges	40.1	896,900	833,100
Travelling, conveyance and fuel		1,605,530	1,285,550
Entertainment		57,914	32,631
Repair and maintenance		1,069,191	578,266
Depreciation		553,317	765,686
Amortisation		12,226	-
Advertisement and publicity		35,650	23,250
Auditor's remuneration	28.4	792,000	530,000
Commission		2,250,919	322,189
Dividend receivable written off		18,676	-
Others		732,906	268,755
		<u>36,500,978</u>	<u>32,967,392</u>

28.1 This includes Rs. 1,455,399 (2024: Rs.1,311,762) in respect of staff retirement benefits.

28.2 This includes Rs. 420,842 (2024: Rs. 994,626) in respect Takaful for Ijarah & diminishing musharakah assets and Rs. 528,512 (2024: Rs. 93,660) for stocks.

28.3 This includes Rs.355,000 (2024: Rs.400,000) in respect of Directors Meeting Fee.

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
28.4 Auditor's remuneration			
Audit fee		300,000	300,000
Other certification		100,000	60,000
Sharia audit Fee		200,000	-
Half yearly review		110,000	110,000
Out-of-pocket expenses		127,000	60,000
		<u>792,000</u>	<u>530,000</u>



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

	2025			2024		
	Officers	Other employees	Total	Officers	Other employees	Total
Salary	10,845,000	6,666,580	17,511,580	9,221,000	5,292,391	14,513,391
Bonus	435,000	453,471	888,471	575,000	406,000	981,000
Gratuity	485,133	970,266	1,455,399	1,105,472	206,290	1,311,762
EOBI	61,547	127,584	189,131	57,330	95,550	152,880
Group insurance	218,084	436,167	654,251	256,093	126,136	382,229
General services	-	1,003,484	1,003,484	821,000	-	821,000
Leave in cashment	589,099	-	589,099	-	-	-
	12,633,863	9,657,552	22,291,415	12,035,895	6,126,367	18,162,262
No. of persons	3	6	9	3	6	9

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

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
29 OTHER INCOME			
Reversal of provision against Musawamah Facility	40.1	640,000	1,380,000
Profit on bank deposits - Shariah compliant		1,991,994	1,340,312
		<u>2,631,994</u>	<u>2,720,312</u>
30 FINANCIAL AND OTHER CHARGES			
Bank charges		10,852	9,455
Guarantee commission		8,800	17,600
		<u>19,652</u>	<u>27,055</u>
31 MANAGEMENT COMPANY'S REMUNERATION INCLUDING SALES TAX			
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 upto a maximum of 10% per annum of the net annual profits of the Modaraba. No provision for Management Company's remuneration including sales tax has been made during the year.			
	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
32 LEVIES			
Sindh Workers' Welfare Fund	40.1	107,360	81,332
Income tax under final tax regime		2,673,972	1,141,410
Excess of minimum tax over normal tax		-	1,650,530
		<u>2,781,332</u>	<u>2,873,272</u>



	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
33 TAXATION			
Current tax expense		1,060,210	-
Prior year tax		-	458,106
Deferred tax expense		(886,632)	345,094
	33.1	<u>173,578</u>	<u>803,200</u>

33.1 Relationship between accounting profit and tax expense for the year is as follows:

Profit before levies (excluding WWF) and taxation	<u>5,260,620</u>	<u>3,985,244</u>
Tax at the applicable tax rate of 29%	1,525,580	1,155,721
Tax effect of income taxable under final tax and separate block of income	(1,166,402)	(410,427)
Tax effect of prior period tax	-	458,106
Tax effect of permanent differences	<u>(185,600)</u>	<u>(400,200)</u>
	<u>173,578</u>	<u>803,200</u>

Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2024. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

	Note	June 30, 2025	June 30, 2024
		----- Rupees -----	
34 EARNINGS PER CERTIFICATE - BASIC AND DILUTED			
Basic earnings per certificate			
Profit after taxation		<u>2,413,070</u>	<u>390,104</u>
		----- Number of certificates -----	
Weighted average number of certificates outstanding during the period		<u>23,100,000</u>	<u>23,100,000</u>
		----- Rupees -----	
Earnings per certificate - basic		<u>0.10</u>	<u>0.02</u>

34.1 There are no dilutive potential certificates as at the year end.



35 FINANCIAL INSTRUMENTS

	As at June 30, 2025		
	FVTPL	FVTOCI	At Amortised Cost
----- Rupees -----			
35.1 FINANCIAL INSTRUMENTS BY CATEGORY			
Financial assets			
Cash and bank balances	-	-	133,917,532
Investments	42,357,431	1,175,018	5,000,000
Long term deposits	-	-	3,840,147
Profit receivable	-	-	464,770
Receivable form diminishing musharaka	-	-	-
Diminishing musharakah	-	-	1,339,902
Other receivables	-	-	4,204,855
Total financial assets	42,357,431	1,175,018	148,767,206
Financial liabilities			
Creditors, accrued and other liabilities	-	-	2,430,171
Total financial liabilities	-	-	2,430,171
	As at June 30, 2024		
	FVTPL	FVTOCI	At Amortised Cost
	----- Rupees -----		
Financial assets			
Cash and bank balances	-	-	92,712,516
Investments	38,799,648	16,475,904	10,000,000
Long term deposits	-	-	3,838,407
Profit receivable	-	-	2,261,619
Receivable form diminishing musharaka	-	-	751,570
Diminishing musharakah	-	-	7,314,299
Other receivables	-	-	3,847,903
Total financial assets	38,799,648	16,475,904	120,726,314
Financial liabilities			
Creditors, accrued and other liabilities	-	-	742,095
Total financial liabilities	-	-	742,095

35.2 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



35.2.1 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.

Bank balances and term deposits receipts

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

Bank	Rating			June 30, 2025	June 30, 2024
	Agency	Short term	Long term	----- Rupees -----	
Al-Baraka Bank Limited	JCR-VIS	A-1	AA-	75,804,747	800,000
Askari Bank Limited	PACRA	A-1+	AA+	41,634	75,092,707
Faysal Bank Limited	PACRA	A-1+	AA	268,392	321,173
HBL Bank Limited	JCR-VIS	A-1+	AAA	17,471	72,946
MCB Islamic Bank Limited	PACRA	A-1	A+	97,569	57,868
Meezan Bank Limited	JCR-VIS	A-1+	AAA	55,862,957	10,737,357
National Bank of Pakistan	PACRA	A-1+	AAA	692,037	486,222
United Bank Limited	JCR-VIS	A-1+	AAA	1,042,695	5,060,177
NRSP Microfinance Bank	JCR-VIS	A2	A-	90,029	84,066

35.2.2 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, 2025			
	Carrying amount	Contractual cash flows	Upto 3 months	Over 3 months to on year
----- Rupees -----				
Financial liabilities				
Creditors, accrued and other liabilities	2,430,171	(2,430,171)	(2,430,171)	-
	<u>2,430,171</u>	<u>(2,430,171)</u>	<u>(2,430,171)</u>	<u>-</u>
	<u><u>2,430,171</u></u>	<u><u>(2,430,171)</u></u>	<u><u>(2,430,171)</u></u>	<u><u>-</u></u>
	June 30, 2024			
	Carrying amount	Contractual cash flows	Upto 3 months	Over 3 months to on year
----- Rupees -----				
Financial liabilities				
Creditors, accrued and other liabilities	742,095	(742,095)	(742,095)	-
	<u>742,095</u>	<u>(742,095)</u>	<u>(742,095)</u>	<u>-</u>
	<u><u>742,095</u></u>	<u><u>(742,095)</u></u>	<u><u>(742,095)</u></u>	<u><u>-</u></u>

35.2.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of currency risk, interest rate risk and other price risk.

(a) 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. As of the reporting date, the Modaraba was not exposed to any foreign currency risk as all its transactions were carried out in Pak Rupees.

(b) 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:

	2025	2024	2025	2024
	Effective profit rate (%)		Carrying amounts (Rs.)	
Financial assets - variable rate instruments				
Cash and bank balances	5.72% to 14.08	3% to 17.5%	133,917,532	92,712,516
Investments	11.73% to 21.47%	19.81% to 20.15%	57,938,668	75,111,007
Diminishing musharakah	9.22% to 11.0%	9.22% to 15.5%	1,339,902	7,314,299

(c) Other price equity risk

Other price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / markup 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 or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor of 10%. The restriction of floor prices reduces the volatility of prices of equity securities and the chances of market crash at any moment. The Modaraba manages price risk by monitoring its exposure in quoted securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its equity investments before it led the Modaraba to incur significant mark-to-market and credit losses. As of the reporting date, the Modaraba was exposed to equity risk since it had investments in quoted securities amounting to Rs. 43.401 million (2024: Rs. 20.647 million) and investments in mutual funds amounting to Rs. 0.141 million (2024: Rs. 34.629 million).

The carrying value of investments subject to price risk is based on quoted market prices as of the reporting date. Market prices are subject to fluctuation and, consequently, the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, the amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.



(d) 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.

The Modaraba's portfolio of investments is broadly diversified so as to mitigate the significant risk of decline in prices of securities in particular sectors of the market.

	June 30, 2025		June 30, 2024	
	Rupees	%	Rupees	%
Chemicals	4,390,500	9.13%	1,456,355	2.04%
Construction and Materials	-	0.00%	285,000	0.40%
Oil & Gas Producers	19,802,692	40.66%	6,268,930	8.79%
Gas Water & Multi utilities	-	0.00%	554,755	0.78%
Automobile and Parts	926,628	1.93%	5,947,221	8.34%
Textiles	-	0.00%	106,275	0.15%
Pharmaceuticals	3,590,150	7.47%	5,626,320	7.89%
Cable and Electrical goods	-	0.00%	-	0.00%
Food & Personal Care Products	3,693,800	8.10%	651,640	0.91%
Banks	5,000,000	10.40%	10,000,000	14.02%
Mutual Fund	141,177	0.29%	34,629,047	48.57%
Power Generation & Distribution	-	0.00%	476,120	0.67%
Modarabas	1,175,018	2.44%	1,029,592	1.44%
Technology & Communication	5,454,500	11.35%	862,650	1.21%
Glass & Creamics	-	0.00%	233,100	0.33%
Miscellaneous	3,879,720	8.07%	3,176,831	4.46%
	48,054,185	100.00%	71,303,836	100.00%

Sensitivity analysis

The table below summarizes Modaraba's equity price risk as of June 30, 2025 and 2024 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of markets and the aforementioned concentrations existing in Modaraba's investment portfolio.

		Fair value	Hypothetical price change	Estimated FV after hypothetical change in prices	Hypothetical increase / (decrease) in profit / (loss) before tax	Hypothetical increase / (decrease) in OCI
June 30, 2025	Rupees	57,938,638	10% increase	63,732,557	1,440,624	4,353,245
			10% decrease	52,144,819	(1,440,624)	(4,353,245)
June 30, 2024	Rupees	75,111,007	10% increase	82,622,108	3,359,190	4,151,911
			10% decrease	67,599,906	(3,359,190)	(4,151,911)

**36 TRANSACTIONS ENTERED INTO AND BALANCES HELD WITH RELATED PARTIES**

The related parties comprise of Management Company, directors and their close relatives. Details of transactions with related parties, other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

	June 30, 2025	June 30, 2024
	----- Rupees -----	
Transactions during the year ended		
Management fee - payment during the year ended	<u>-</u>	<u>-</u>
Management fee - charge for the year	<u>-</u>	<u>-</u>
Aggregate amount of remuneration charged in these financial statement, including all benefits to officers and employees are as under:		
Salaries and other benefits	<u>20,858,934</u>	<u>7,169,000</u>
EOBI	<u>189,131</u>	<u>76,080</u>
Group insurance	<u>654,251</u>	<u>154,259</u>
Balances outstanding as at the year end		
Management fee payable	<u>-</u>	<u>-</u>
Staff Gratuity Scheme	<u>7,480,736</u>	<u>6,536,176</u>

37 FAIR VALUE HIERARCHY

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. Consequently, differences can arise between carrying values and the fair value estimates.

The Modaraba measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using 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 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Following is the fair value hierarchy of the assets carried at fair value:



June 30, 2025

	Carrying amount			Fair value			
	At amortised cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
-----Rupees-----							
Financial assets measured at fair value							
Investments							
Listed equity securities	-	41,729,535	1,175,018	42,904,553	42,904,553	-	-
Listed Mutual funds	-	141,177	-	141,177	-	141,177	-
	-	41,870,712	1,175,018	43,055,630	42,904,553	141,177	-
Financial assets at amortised cost							
Investments							
Sukuk Certificates	5,000,000	-	-	5,000,000	-	5,000,000	-
Cash and bank balances	133,917,532	-	-	133,917,532	-	-	-
Long term deposits	3,840,147	-	-	3,840,147	-	-	-
Receivable form diminishing musharaka	-	-	-	-	-	-	-
Profit receivable	464,770	-	-	464,770	-	-	-
Diminishing musharakah	126,215	-	-	126,215	-	-	-
Other receivables	4,204,855	-	-	4,204,855	-	-	-
	147,553,519	-	-	147,553,519	-	5,000,000	-

June 30, 2024

	Carrying amount			Fair value			
	At amortised cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
-----Rupees-----							
Financial assets measured at fair value							
Investments							
Listed equity securities	-	16,641,030	2,719,460	19,360,490	19,360,490	-	-
Listed Mutual funds	-	20,872,603	13,756,444	34,629,047	-	34,629,047	-
	-	37,513,633	16,475,904	53,989,537	19,360,490	34,629,047	-
Financial assets at amortised cost							
Investments							
Sukuk Certificates	10,000,000	-	-	10,000,000	-	9,976,472	-
Cash and bank balances	92,712,516	-	-	92,712,516	-	-	-
Long term deposits	3,838,407	-	-	3,838,407	-	-	-
Receivable form diminishing musharaka	751,570	-	-	751,570	-	-	-
Profit receivable	2,261,619	-	-	2,261,619	-	-	-
Diminishing musharakah	7,314,299	-	-	7,314,299	-	-	-
Other receivables	3,847,903	-	-	3,847,903	-	-	-
	120,726,314	-	-	120,726,314	-	9,976,472	-

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

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.

Investment in sukuk, issued by AlBaraka Bank Limited and Meezan 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).

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.

38 OPERATING 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, 2025			Total
	Trading	Financing	Investment	
	-----Rupees-----			
Segment revenue	15,817,650	2,836,949	25,647,882	44,302,481
Segment results	15,817,650	2,836,949	21,242,017	39,896,616
Unallocated corporate expenses				(37,160,630)
Other income				2,631,994
Provision for worker's welfare fund				(2,781,332)
Levies				-
Taxation				(173,578)
Profit for the year				2,413,070
Segment assets and liabilities				
Reportable segment assets	68,258,142	1,542,156	57,974,242	127,774,540
Unallocated corporate assets				147,272,700
Consolidated total assets				257,015,163
Reportable segment liabilities	-	10,288,846	-	10,288,846
Unallocated corporate liabilities				6,438,611
Consolidated total liabilities				16,727,457



	June 30, 2024			Total
	Trading	Financing	Investment	
-----Rupees-----				
Segment revenue	(6,757,524)	8,361,569	33,255,672	34,859,717
Segment results	(6,757,524)	8,361,569	34,116,666	35,720,711
Unallocated corporate expenses				(35,786,387)
Other income				1,340,312
Provision for worker's welfare fund				(81,332)
Taxation				(803,200)
Profit for the year				390,104
Segment assets and liabilities				
Reportable segment assets				
Unallocated corporate assets	78,661,336	7,444,230	74,598,511	160,704,077
Consolidated total assets				108,412,742
				269,116,819
Reportable segment liabilities				
Unallocated corporate liabilities	-	7,650,728	-	7,650,728
Unallocated corporate liabilities				5,533,771
Consolidated total liabilities				13,184,499

39 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	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. 4).
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. 27.1.
viii) All sources of their income	Disclosed in note No.12.1, 25-27 and 29.
ix) Gain /loss regardless of realized or unrealized from investments in shares/mutual funds	Disclosed in note no. 5, 19, 25.

**40 General**

40.1 Reclassified from component	Reclassified to component	Note	Rupees
Shariah compliant Listed equity securities (Current assets - Short term investments)	Non - Shariah compliant Listed equity securities (Current assets - Short term investments)	5	<u><u>1,526,985</u></u>
Non - Shariah compliant Listed equity securities (Current assets - Short term investments)	Shariah compliant Listed equity securities (Current assets - Short term investments)	5	<u><u>1,286,015</u></u>
Reversal of provision against Musawamah Facility (Profit and loss)	Other income (Profit and loss)	29	<u><u>1,380,000</u></u>
Auditor's remuneration (Profit and loss - Administrative expenses)	Legal and professional charges (Profit and loss - Administrative expenses)	28	<u><u>799,200</u></u>
Sindh workers' welfare fund (Profit and loss)	Levies (Profit and loss)	32	<u><u>81,332</u></u>

40.2 Events after the reporting date

There are no subsequent events that are required to be adjusted or disclosed in these financial statements.

	June 30, 2025	June 30, 2024
	----- Number -----	
40.3 Number of employees		
No of employees as at year end	<u><u>9</u></u>	<u><u>9</u></u>
Average number of employees	<u><u>9</u></u>	<u><u>9</u></u>

40.4 Date of authorization for issue of these financial statements

These financial statements were authorized for issue by the Board of Directors of the Modaraba Management Company in their meeting held on September 11, 2025.

40.5 Level of rounding

Unless otherwise indicated, all figures in these financial statements have been rounded off to the nearest rupee.

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

**Sd/-
Chief Executive Officer**

**Sd/-
Chief Financial Officer**

**Sd/-
Director**

**Sd/-
Director**



PATTERN OF CERTIFICATE HOLDING AS AT JUNE 30, 2025

No. of Certificate Holders	Certificate Holdings		Total Certificate Held
	From	To	
138	1	100	3,194
70	101	500	16,715
120	501	1,000	75,188
167	1,001	5,000	398,790
39	5,001	10,000	268,734
25	10,001	15,000	295,290
7	15,001	20,000	130,170
11	20,001	25,000	258,652
1	25,001	30,000	30,000
6	30,001	35,000	202,438
2	35,001	40,000	72,050
8	45,001	50,000	398,593
3	50,001	55,000	165,000
2	60,001	65,000	123,601
3	70,001	75,000	217,319
1	85,001	90,000	85,998
1	90,001	95,000	95,000
2	95,001	100,000	200,000
1	100,001	105,000	104,030
1	105,001	110,000	110,000
1	120,001	125,000	121,000
1	170,001	175,000	175,000
1	205,001	210,000	209,000
1	210,001	215,000	210,659
1	275,001	280,000	278,850
1	295,001	300,000	297,750
1	300,001	305,000	303,045
1	345,001	350,000	350,000
1	365,001	370,000	368,500
1	400,001	405,000	401,000
1	570,001	575,000	573,342
1	650,001	655,000	653,500
1	665,001	670,000	669,284
1	895,001	900,000	897,000
1	1,030,001	1,035,000	1,031,118
1	1,710,001	1,715,000	1,712,477
1	1,955,001	1,960,000	1,955,850
1	1,990,001	1,995,000	1,990,450
1	3,030,001	3,035,000	3,031,413
1	4,615,001	4,620,000	4,620,000
628			23,100,000

CATEGORIES OF SHAREHOLDING AS AT JUNE 30, 2025

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	2,061,950	8.93
2	Associated Companies, Undertakings and related Parties (to be confirm by Company)	3	8,224,755	35.61
3	NIT and ICP			
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	4	3,938	0.02
5	Insurance Companies	2	693	0.00
6	Modarabas and Mutual Funds	1	669,284	2.90
7	Share holders holding 10%	2	7,651,413	33.12
8	General Public :			
	a. local	598	11,475,232	49.68
	b .Foreign			
9	Others	18	664,148	2.88
	Total	628	23,100,000	100.00

Shareholders holding five (5) percent or more certificates

Name	No. of Certificate Holders	Holding	Holding %age
Al-Noor Modaraba Management (Private) Limited	1	4,620,000	20.00%
Zain Trading Corporation (Private) Limited	1	3,031,413	13.12%
Mr. Zohair Zakaria	1	1,990,450	8.62%
Mr. Masood Ahmed	1	1,955,850	8.47%
Mr. Dinaz Cassim	1	1,712,477	7.41%



NOTICE OF ANNUAL REVIEW MEETING

Notice is hereby given that the Annual Review Meeting of Certificate Holders of First Al-Noor Modaraba will be held on Thursday, October 23, 2025 at 03:40 p.m. at the Registered Office of the Company at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, to review the performance of the Modaraba for the year ended June 30, 2025.



By order of the Board

Sd/-

Roofi Abdul Razzak

Company Secretary

Karachi : September 11, 2025

REQUEST TO CERTIFICATE HOLDERS

1. The individual certificate holders who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Modaraba / Share Registrar, are once again reminded to send the same at the earliest directly to Modaraba's Share Registrar, M/ FAMCO Share Registration Services (Private) Limited. In case of non-receipt of the copy of a valid CNIC, the Modaraba would be constrained under section 243 (3) of the Companies Act, 2017 to withhold dividend of such certificate holder(s).
2. In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its certificate holder only through electronic mode directly into the bank account designated by the entitled certificate holder. Therefore, certificate holders are requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC/NTN to their respective CDC participant / CDC Investor account services.

(i) Certificate Holder's Details	
Name of Certificate Holder	
Folio # / CDS Account Number	
CNIC Number (attach copy)	
Mobile/Landline Number (Active)	

(ii) Certificate holder's Bank detail	
Title of Bank Account	
IBAN	
Bank's Name	
Branch's name and address	

It is stated that the above-mentioned information is correct and in case of any change herein, I/We will immediately intimate the Share Registrar accordingly



Notes:

1. Book Closure

The Share Transfer Book of the Modaraba will remain closed from Friday, October 17, 2025 to Wednesday, October 29, 2025 (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 Share Registration Services (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shakra-e-Faisal, Karachi by the close of business on October 16, 2025 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. Consent for Video Conference Facility

Pursuant to Section 132 (2) of the Companies Act, 2017, Members may avail video conference facility for this Annual Review Meeting provided the Company receives consent from the members holding aggregate 10% or more shareholding at least 7 days prior to the date of meeting at company.secretary@fanm.co.

3. Conversion of Physical Certificates into Book-Entry Form

As per Section 72 of the Companies Act, 2017, all listed companies are required to replace certificates issued by them in physical form to book-entry form. Accordingly, all members of the Company having physical certificates are advised to convert their certificates into book-entry form at the earliest with the Central Depository Company of Pakistan Limited. The members may contact the Company or Shares Registrar, M/s FAMCO Share Registration Services (Private) Limited for the conversion of physical certificates into book-entry form

4. Unclaimed Dividends and Share Certificates

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the members to claim their unclaimed dividends and undelivered share certificates in accordance with the law. Members, whose dividends and share certificates are still unclaimed/ undelivered, are hereby once again advised to approach the Company to claim their outstanding dividend amounts and/ or undelivered share certificates.

ویڈیو کانفرنس کی سہولت کے لیے رضامندی:-

کمپنیز ایکٹ 2017 کے سیکشن 132(2) کے مطابق، ممبران اس سالانہ جائزہ میٹنگ کے لیے ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں بشرطیکہ کمپنی کو میٹنگ کی تاریخ سے کم از کم 7 دن پہلے مجموعی %10 یا اس سے زیادہ شیئرز ہولڈنگ رکھنے والے ممبران سے رضامندی حاصل ہو۔

فزیکل سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کرنا:-

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، تمام لسٹڈ کمپنیوں پر لازم ہے کہ وہ اپنے ذریعہ جاری کردہ سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کریں۔ اس کے مطابق، فزیکل سرٹیفکیٹ رکھنے والے کمپنی کے تمام ممبران کو مشورہ دیا جاتا ہے کہ وہ اپنے سرٹیفکیٹس کو جلد از جلد سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ کے پاس بک انٹری فارم میں تبدیل کریں۔ فزیکل سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کرنے کے لیے ممبران کمپنی یا شیئرز رجسٹرار، میسرز فاکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ سے رابطہ کر سکتے ہیں۔

غیر دعویٰ شدہ ڈیویڈنڈ اور شیئرز سرٹیفکیٹس:-

کمپنی نے پہلے کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت اپنی ذمہ داری ادا کی ہے جس کے تحت کمپنی نے ممبران سے قانون کے مطابق اپنے غیر دعویٰ شدہ منافع اور غیر ڈیلیور شدہ شیئرز سرٹیفکیٹس کا دعویٰ کرنے کے لیے رابطہ کیا۔ ممبران، جن کے ڈیویڈنڈ اور شیئرز سرٹیفکیٹس ابھی تک دعویٰ نہیں کیے گئے / غیر ڈیلیور کیے گئے ہیں، انہیں ایک بار پھر مشورہ دیا جاتا ہے کہ وہ اپنے بقایا ڈیویڈنڈ کی رقم اور / یا غیر ڈیلیور شدہ شیئرز سرٹیفکیٹس کا دعویٰ کرنے کے لیے کمپنی سے رجوع کریں۔

1	تفصیل سرٹیفکیٹ ہولڈرز
	نام سرٹیفکیٹ ہولڈر
	فولیو #/CDS اکاؤنٹ نمبر
	شناختی کارڈ نمبر (کاپی منسلک)
	موبائل / لینڈلائن نمبر فعال

2	بنک تفصیل سرٹیفکیٹ ہولڈرز
	ٹائٹل نام بنک اکاؤنٹ
	آئی بی اے این نمبر
	بنک کا نام
	برانچ نام اور پتہ

بتایا گیا ہے کہ اوپر دی گئی معلومات درست ہیں اور اس میں کسی تبدیلی کی صورت میں، میں / ہم اس کے مطابق شیئر رجسٹرار کو فوری طور پر مطلع کریں گے۔

کتاب کی بندش:-

مضاربہ کی شیئر ٹرانسفر بک جمعہ 17 اکتوبر 2025 سے جمعرات 19 اکتوبر 2025 (دونوں دن سمیت) تک بند رہے گی اور اس مدت کے دوران کوئی منتقلی قبول نہیں کی جائے گی۔ شیئر رجسٹرار، میسرز فاکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8-ایف، نزد ہوٹل فاران، نرسری، بلاک-6، P.E.C.H.S، شاہراہ فیصل، کراچی میں 16 اکتوبر کو کاروبار کے اختتام تک موصول ہونے والی منتقلی کو 2025 کے وقت مقررہ وقت کے لیے سمجھا جائے گا۔ استحقاق، اگر کوئی ہے، اور سالانہ جائزہ اجلاس میں شرکت کی اہلیت۔

اطلاع برائے سالانہ جائزہ اجلاس



شیر ہولڈرز کو اطلاع دی جاتی ہے کہ فرسٹ انور مضاربہ کے 30 جون 2025 کو ختم ہونے والے سال کے لیے مضاربہ کی کارکردگی کا جائزہ لینے کے لیے سرٹیفکیٹ ہولڈرز کا سالانہ جائزہ اجلاس جمعرات 23 اکتوبر 2025 کو سہ پہر 03:40 بجے منعقد ہوگا۔ A-96، سندھی مسلم کوآپریٹو ہاؤسنگ سوسائٹی، کراچی میں کمپنی کے رجسٹرڈ آفس میں۔

بورڈ کے حکم سے

رونی عبدالرزاق

کمپنی سیکرٹری

کراچی: ستمبر 11، 2025

سرٹیفکیٹ ہولڈرز سے درخواست کریں۔

1. انفرادی سرٹیفکیٹ ہولڈرز جنہوں نے ابھی تک اپنے درست کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی فوٹو کاپی مضاربہ / شیر رجسٹرار کو جمع نہیں کرائی ہے، انہیں ایک بار پھر یاد دلایا جاتا ہے کہ وہ اسے جلد از جلد مضاربہ کے شیر رجسٹرار، فامکو شیر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کو بھیج دیں۔ ایک درست شناختی کارڈ کی کاپی نہ ملنے کی صورت میں، مضاربہ کو کمپنیز ایکٹ 2017 کے سیکشن 243 (3) کے تحت ایسے سرٹیفکیٹ ہولڈرز کا ڈیویڈنڈ روکنے پر مجبور ہوگی۔

2. کمپنیز ایکٹ، 2017 اور کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز، 2017 کے سیکشن 242 کی دفعات کے مطابق، ایک لسٹڈ کمپنی کے لیے لازمی ہے کہ وہ اپنے سرٹیفکیٹ ہولڈرز کو نقد ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار سرٹیفکیٹ ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کرے۔ لہذا، سرٹیفکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ "الیکٹرانک کریڈٹ مینڈیٹ فارم" کو پُر کریں جیسا کہ ذیل میں دوبارہ پیش کیا گیا ہے اور اسے درست CNIC/NTN کی کاپی کے ساتھ اپنے متعلقہ CDC شرکت کنندہ / CDC سرمایہ کار اکاؤنٹ سروسز کو بھیجیں۔