



A Wholly Owned Subsidiary of
The Bank of Punjab

FIRST PUNJAB MODARABA

(An Islamic Financial Institution)

FPM/CORP/2022/ 1375
October 17, 2022

Mr. Ovais Moin,
Assistant Manager,
Listed Companies Compliance,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

TRANSMISSION OF QUARTERLY ACCOUNTS FOR QUARTER ENDED JUNE 30, 2022

Dear Sir,

Your letter no. PSX/Gen-1996 received in our office on October 12, 2022 on the subject refers.

The Financial Institutions (FIs) are required to prepare their financial statements in accordance with approved accounting standards as applicable in Pakistan. The newly introduced International Financial Reporting Standard - 9 was made applicable by SECP on all NBFIs and Modarabas effective 1st July 2022. The application of new accounting requirement under IFRS 9 obliged FIs to establish provisions for expected credit losses, which requires the current systems to develop and establish new systems in order to evaluate all types of the FIs' financial assets, according to the requirements of IFRS 9.

In view of the foregoing, on behalf of Modaraba sector, SECP was requested by NBFIs & Modaraba Association of Pakistan to provide some breathing space to withstand the looming pressure on recovery cycles and thus request was made for deferment of application of IFRS-9 in line with directive of State Bank of Pakistan for banks whereby the application of IFRS-9 has been extended till January 2024. The request to SECP was made on August 02, 2022. The matter was actively followed up by Association and details / information required by SECP was duly provided.

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In the meanwhile, First Punjab Modaraba (FPM) in view of its specific timeline for finalization of accounts till August 31, 2022 applied extension in time from SECP vide its letter no. FPM/FIN/2022/814 dated August 11, 2022. The copy of said letter is attached for your record.

Ultimately the IFRS was deferred and decision conveyed to the Association on October 03, 2022. Since the notification was issued after the last date of holding board meetings, all those modarabas whose accounts were either qualified or withheld by their respective auditors started rectification. FPM is also among those modarabas.

The process is likely to take some time at the end of auditors since they have to re-engage their staff for completion of job. We expect to obtain the accounts and hold our board meeting for approval of the same in last week of October 2022 and circulate the accounts forthwith.

Thank you.

Yours truly,

(Mudassar Kaiser Pal)
COMPANY SECRETARY



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FPM/FIN/2022/814

August 11, 2022

Registrar Modaraba,
Specialized Companies Division,
Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue,
Blue Area, Islamabad.

EXTENSION IN CIRCULATION OF ACCOUNTS VIS-A-VIS IMPLEMENTATION OF IFRS-9

Dear Sir,

First Punjab Modaraba (FPM), other modarabas and NBFIs have requested your good office through NBFIs & Modaraba Association of Pakistan for deferment of applicability of IFRS-9 on NBFIs & Modarabas. We appreciate the kind support and active consideration by your good office in respect of above. We expect that the matter will be disposed off in due course of time.

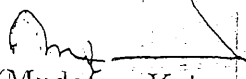
In the meantime we wish to bring it in your knowledge that with kind approval of your good office, the accounting year of FPM has been changed from June to December. Accordingly, the period of June 2022 is its half year, and its financial results are to be circulated till August 31, 2022 i.e. within a period of two months under Rule 10 of the Modaraba Rules, 1981. On the other hand, the Modaraba sector has closed its annual accounting year and members have a period of more than three months to circulate their accounts under prevailing regulatory regime.

Due to time limitation faced by FPM, as described above, we are constrained to apply for extension in time to circulate our half yearly accounts, until the time the matter of implementation of IFRS-9 is resolved. We will be pleased to release our accounts immediately after final decision by your good office.

In view of above, you are requested to kindly accord approval for extension in time to circulate our accounts for half year ended June 30, 2022.

Thank you.

Yours truly,


(Mudassar Kaiser Pal)
COMPANY SECRETARY