

First Habib Modaraba

(An Islamic Financial Institution)



Quarterly Accounts

For the nine months period ended March 31, 2023

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CORPORATE INFORMATION

MODARABA MANAGEMENT COMPANY

Habib Metropolitan Modaraba Management Company (Private) Limited

BOARD OF DIRECTORS

Syed Rasheed Akhtar	- Chairman (Non-Executive Independent Director)
Mr. Muhammad Shoaib Ibrahim	- Chief Executive Officer
Mr. Usman Nurul Abedin	- Non-Executive Director
Mr. Saeed Uddin Khan	- Non-Executive Independent Director
Mr. Mohammad Shams Izhar	- Non-Executive Director
Dr. Irum Saba	- Non-Executive Director

LEGAL ADVISOR

Mohsin Tayebaly & Company
Ahmed & Qazi Advocates & Legal Consultants

AUDIT COMMITTEE

Mr. Saeed Uddin Khan	- Chairman
Syed Rasheed Akhtar	- Member
Mr. Mohammad Shams Izhar	- Member
Mr. Muhammad Babar	- Secretary

HUMAN RESOURCE COMMITTEE

Mr. Saeed Uddin Khan	- Chairman
Syed Rasheed Akhtar	- Member
Mr. Mohammad Shams Izhar	- Member
Mr. Muhammad Jehanzeb	- Secretary

SHARES REGISTRAR

CDC Share Registrar Services Limited
Share Registrar Department
CDC House, 99-B, Block "B",
S.M.C.H.S
Main Shahrah-e-Faisal,
Karachi,
Pakistan. Tel: 111-111-500

AUDITORS

EY Ford Rhodes
Chartered Accountants

COMPANY SECRETARY

Ms. Aeraj Abeer

SHARIAH ADVISOR

Mufti Faisal Ahmed

BANKERS

Habib Metropolitan Bank Limited (Islamic Banking)
Meezan Bank Limited
Al Baraka Bank Pakistan Limited
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Soneri Bank Limited (Islamic Banking)
Habib Bank Limited (Islamic Banking)

REGISTERED OFFICE

6th Floor, HBZ Plaza (Hirani Centre)
I.I. Chundrigar Road, Karachi.
Tel : 021-32635949-51
UAN : 111-346-346
Web : www.habibmodaraba.com
Email : fhm@habibmodaraba.com

GEOGRAPHICAL PRESENCE

- BRANCH OFFICES

Karachi Branch:

3rd Floor, Al-Manzoor Building,
Dr. Ziauddin Ahmed Road. Karachi.
Tel : 021-32635949-51

Lahore Branch:

1st Floor, 5-Z Block, Phase III, Defence Housing
Authority, Lahore.
Tel : 042-35693074-76

Islamabad Branch:

Office No. 513, 5th Floor, ISE Towers, Jinnah
Avenue Blue Area, Islamabad.
Tel : 051-28994571-73

Multan Branch:

Mezzanine Floor, Abdali Tower,
Abdali Road, Multan.
Tel : 061-4500121-3

DIRECTORS' REPORT

On behalf of the Board of Directors, it is our great pleasure to present quarterly accounts for the period ended 31st March, 2023.

Business Operation

Performance of 3rd quarter of current financial year remained under pressure. Again in this quarter targets of disbursements and enhancement of financing book was not achieved as per budgeted targets due to continuous slowdown of businesses with economic challenges. Total disbursement for nine month period is Rs.7.449 billion as compared to disbursement of Rs.8.041 billion in same period of previous year. The other reason of low disbursements was non-availability of booking of motor vehicles due to import restrictions and high lending rates. The issues have further restricted corporate and individual customers to engage in further financing and assets booking.

Economic Outlook

There is no positive outcome on economic fronts since our last report of February, 2023, rather misery of businesses has further aggravated. At present businesses are suffering with high cost of doing businesses, supply chain disruption due to non-availability of imported raw materials, high cost of borrowings and political instability. Recently, State Bank of Pakistan (SBP) has further raised policy rate to 21%, increase of around 4% since January this year. According to latest Monetary Policy Statement of SBP, the inflation in March 2023 rose to 35.4 percent, and is expected to remain high in the near term. According to statistics, the food group commands significant weight in rising of inflation. Presently, Pakistan has highest rates of inflation as compared to other countries of region such as India and Bangladesh. External financial vulnerability due to low foreign reserves leading towards huge depreciation of Pak rupees is also one of reasons of exorbitant inflation.

Currently government has managed current account deficit due to curb on imports. However, import restriction has slowed down economic activities to a large extent which impact industries and layoff of workers. The World Bank (WB) and the Asian Development Bank (ADB) have released economic projections of Pakistan and stated that currently Pakistan passing through with huge financial stress with worst inflation numbers. The both institution cut down their earlier growth projection from 2% to between 0.4 to 0.6 percent of FY 2023. The deal with International Monetary Fund (IMF) for extended funded facility is still not finalized. According to report, the fund is looking forward to obtaining the necessary financing assurances as soon as possible to pave the way for the successful completion of the 9th review of the Extended Fund Facility (EFF) program. Till some positive outcome, our rupee remains in stress which ultimately lead towards further depreciation of rupee.

Status of merger of Habib Metro Modaraba

Merger proceedings of Habib Metro Modaraba with First Habib Modaraba have been completed and assets and liabilities have been amalgamated with FHM. The financials of FHM for the period ended 31st March, 2023 is reflecting financials of merged entity.

Conclusion

Presently, we do not see any positive sign in improvement of key economic indicators in next few months till some political stability. Businesses are continuously facing issues of pressures of high cost doing of business. Macroeconomic fundamentals are also unstable due to tight monetary policy, fiscal and regulatory adjustment which have squeezed national output, increased pressure on cost and slowed down the GDP growth. The present government faces tough economic challenges towards reviving of current state of economic affairs. Required structural transformations are needed in Pakistan's economic system for future sustainability.

Keeping in view prevailing economic challenges, we expect slow moving business activities in near future. The said situation is also impacting timely repayment of borrowed facilities by the businesses. We are also continuously facing re-pricing risks under rising lending rate scenario and rising cost of doing businesses which have squeezed cash generation ability of customers. Keeping in view of present business circumstances we are cautiously moving forward in order to make sure long term sustainability.

Acknowledgment

We would like to express our sincere thanks and gratitude for the continued support and guidance provided by Securities & Exchange Commission of Pakistan and Registrar Modaraba, customers of the Modaraba for their patronage and Certificate holders, investors who have remained committed to FHM. We also appreciate dedication, high level of professionalism and hard work of employees of FHM for smooth operations and achieving satisfactory results in extremely difficult business environment.

For and on behalf of Board of Directors

Syed Rasheed Akhtar
Director

Muhammad Shoaib Ibrahim
Chief Executive Officer

Karachi: 27th April, 2023

ڈائریکٹرز رپورٹ

یہ ہمارے لئے باعث مسرت سہ ماہی ہیکہ ہم بورڈ آف ڈائریکٹرز کی جانب سے ۳۱ مارچ، ۲۰۲۳ کو ختم ہونے والی تیسری سہ ماہی مدت اختتام پر فرسٹ حبیب مضاربہ کی کھاتے پیش کر یں۔

کاروباری سرگرمیاں:

رواں مالی سال کی تیسری سہ ماہی کی کارکردگی دباؤ میں رہی۔ ایک بار پھر، اس سہ ماہی میں قرضوں کی تقسیم اور مالیاتی حساب کتاب میں اضافہ کے اہداف بجٹ کے اہداف معاشی چیلنجوں کے ساتھ کاروبار کی مسلسل سست روی کی وجہ سے حاصل نہیں کیے گئے۔ نومبر کی مدت میں ۴۳۹ ملین روپے تقسیم کیے جو پچھلے سال کی اسی مدت میں ۸۶۰۲۱ ملین روپے کی تقسیم کے مقابلے میں ہے۔ کم تقسیم کی دوسری وجہ دباؤ والی پابندیوں اور قرضے کی بلند شرحوں کی وجہ سے موثر گاڑیوں کی بنگ کی عدم دستیابی تھی۔ مسائل نے کارپوریٹ اور انفرادی صارفین کو مزید فنانسنگ اور اثاثوں کی بنگ میں کرنے پر مزید پابند کر دیا ہے۔

معاشی جائزہ:

فروری ۲۰۲۳ میں ہماری آخری رپورٹ کے بعد سے معاشی محاذ پر کوئی مثبت نتیجہ نہیں نکلا، بلکہ کاروبار کی بد حالی مزید بڑھ گئی ہے۔ اس وقت کاروبار کرنے کی لاگت، دباؤ والی خام مال کی عدم دستیابی، قرضے لینے کی زیادہ لاگت اور سیاسی عدم استحکام کی وجہ سے کاروبار کرنے کی زیادہ قیمت، سپلائی چین میں خلل کا سامنا ہے۔ حال ہی میں، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ کو مزید بڑھا کر ۲۱٪ کر دیا ہے، جو اس سال جنوری سے تقریباً ۴٪ زیادہ ہے۔ اسٹیٹ بینک کے تازہ ترین مائیکرو پالیسی اسٹیٹمنٹ کے مطابق، مارچ ۲۰۲۳ میں افراط زر بڑھ کر ۳۵.۴ فیصد ہو گیا اور توقع ہے کہ قریب کی مدت میں یہ بلند رہے گی۔ اعداد و شمار کے مطابق، خوراک کے شعبے میں نمایاں اور کافی واضح اضافہ ہوا ہے۔ اس وقت پاکستان میں مہنگائی کی شرح خطے کے دیگر ممالک جیسے بھارت اور بنگلہ دیش کے مقابلے میں سب سے زیادہ ہے۔ غیر ملکی ذخائر کم ہونے کی وجہ سے پاکستانی روپے کی قدر میں بے پناہ کمی کی وجہ سے بیرونی مالیاتی کمزوری بھی حد سے زیادہ مہنگائی کی ایک وجہ ہے۔

فی الحال حکومت نے دباؤ والی مدت پر پابندی لگانے کی وجہ سے کرنٹ اکاؤنٹ خسارے کا انتظام کیا ہے۔ تاہم، دباؤ والی پابندی نے ملکی معاشی سرگرمیوں کو کافی حد تک سست کر دیا ہے جس سے صنعتوں اور کارکنوں / مزدوروں کی برطرفی متاثر ہوتی ہے۔ ورلڈ بینک (WB) اور ایشیائی ترقیاتی بینک (اے ڈی بی) نے پاکستان کے معاشی تخمینے جاری کرتے ہوئے کہا ہے کہ پاکستان اس وقت بدترین افراط زر کے اعداد و شمار کے ساتھ شدید مالی دباؤ سے گزر رہا ہے۔ دونوں اداروں نے مالی سال ۲۰۲۳ کے اپنے پہلے کی شرح نمو کے تخمینے ۲ فیصد سے کم کر کے ۰.۶ سے ۰.۶ فیصد کے درمیان کر دیا۔ بین الاقوامی مالیاتی فنڈ (IMF) کے ساتھ توسیعی فنڈ کی سہولت کے لیے معاہدہ ابھی تک طے نہیں ہوا ہے۔ رپورٹ کے مطابق، توسیعی فنڈ سہولت (EFF) پروگرام کے نوں جائزے کی کامیاب تکمیل کے لیے راہ ہموار کرنے کے لیے جلد از جلد ضروری مالیاتی یقین دہانیاں حاصل کرنے کا منتظر ہے۔ جب تک کچھ مثبت نتائج سامنے نہیں آتے، ہمارا رویہ دباؤ میں رہتا ہے جو بالآخر روپے کی قدر میں مزید کمی کی طرف لے جاتا ہے۔

حبیب میٹرو مضاربہ کے انضمام کی صورت حال:

حبیب میٹرو مضاربہ کے فرسٹ حبیب مضاربہ کے ساتھ انضمام کی کارروائی مکمل ہو چکی ہے اور اثاثوں اور واجبات کو FHM کے ساتھ ملا / انضمام کر دیا گیا ہے۔ ۳۱ مارچ ۲۰۲۳ کو ختم ہونے والی مدت کے لیے FHM کے مالیات ضم شدہ ادارے کی مالیات کی عکاسی کر رہے ہیں۔

خلاصہ:

فی الحال، ہمیں کچھ سیاسی استحکام تک اگلے چند مہینوں میں اہم اقتصادی اشاریوں میں بہتری کے کوئی مثبت آثار نظر نہیں آتے۔ کاروباری اداروں کو مسلسل زیادہ لاگت کے کاروبار کے دباؤ کے مسائل کا سامنا ہے۔ سخت مالیاتی پالیسی، اور مالیاتی اور ریگولیٹری ایڈجسٹمنٹ کی وجہ سے میکرو اکنامک بنیادیں بھی غیر مستحکم ہیں جنہوں نے قومی پیداوار کو نچوڑ دیا، لاگت پر دباؤ بڑھا دیا، اور جی ڈی پی کی نمو کو سست کر دیا۔ موجودہ حکومت کو معاشی حالات کی بحالی کے لیے سخت معاشی چیلنجز کا سامنا ہے۔ مستقبل کی پابنداری کے لیے پاکستان کے معاشی نظام میں اسٹرکچرل تبدیلیوں کی ضرورت ہے۔

موجودہ اقتصادی چیلنجوں کو مد نظر رکھتے ہوئے، ہم مستقبل قریب میں سست رفتار کاروباری سرگرمیوں کی توقع کرتے ہیں۔ مذکورہ صورتحال کاروباری اداروں کے ذریعے ادھار لی گئی سہولیات کی بروقت ادائیگی پر بھی اثر انداز ہو رہی ہے۔ ہمیں قرضے کی شرح کے بڑھتے ہوئے منظر ناموں اور کاروبار کرنے کے بڑھتے ہوئے اخراجات کے تحت دوبارہ قیمتوں کے تعین کے خطرات کا بھی سامنا ہے جس نے صارفین کی نقد رقم پیدا کرنے کی صلاحیت کو نچوڑ دیا ہے۔ موجودہ کاروباری حالات کو مد نظر رکھتے ہوئے ہم طویل مدتی پائیداری کو یقینی بنانے کے لیے محتاط انداز میں آگے بڑھ رہے ہیں۔

اظہارِ تشکر:

بورڈ آف ڈائریکٹرز کی طرف سے ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا، رجسٹرار مضاربہ کے بہت ہی مشکور ہیں جنہوں نے ہماری مسلسل رہنمائی اور سرپرستی کی، اپنے قابل قدر کسٹمرز کا، اپنے سرٹیفیکیٹ ہولڈرز کا کہ انہوں نے ہم پر بھروسہ کیا اور فرسٹ حبیب مضاربہ کے ساتھ بنے رہے۔ اور ہم فرسٹ حبیب مضاربہ ملازمین کی اعلیٰ پائے کی پیشہ ورانہ مہارت اور مسلسل بے انتہا محنت کا جس کی وجہ سے ہم نے انتہائی مشکل ترین حالات میں بھی اطمینان بخش نتائج حاصل کئے۔

بورڈ آف ڈائریکٹرز کیلئے اور ان کی جانب سے

سید رشید اختر
ڈائریکٹر

محمد شعیب ابراہیم
چیف ایگزیکٹو آفیسر

تاریخ: ۲۷ اپریل ۲۰۲۳

CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2023

	Note	(Unaudited)	(Audited)
		March 31, 2023	June 30, 2022
ASSETS			
NON-CURRENT ASSETS			
Lease financing assets	6	-	185,055,850
Assets in own use	7	51,090,566	50,229,380
Intangible assets		96,351	141,975
Diminishing musharaka financing	8	12,405,613,494	11,172,262,516
Long term prepayments and deposits		1,147,800	1,172,800
Deferred tax Assets - net		86,293,622	34,358,016
		12,544,241,833	11,443,220,537
CURRENT ASSETS			
Investments	9	653,380,883	728,314,744
Current portion of diminishing musharaka financing	8	5,836,848,814	4,723,078,394
Diminishing musharaka financing installments receivables		2,949,742	2,338,076
Advances, deposits and prepayments		271,209,540	13,755,955
Other receivables		25,311,347	25,597,501
Income tax refundable	10	42,269,439	89,470,329
Cash and bank balances		348,664,363	137,042,312
		7,180,634,128	5,719,597,311
		19,724,875,961	17,162,817,848
TOTAL ASSETS			
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized certificate capital 280,000,000 (June 30, 2022: 220,000,000) certificates of Rs.5 each		1,400,000,000	1,100,000,000
Issued, subscribed and paid-up certificate capital		1,108,305,000	1,008,000,000
Reserves		3,390,521,691	2,959,519,451
Certificate holders' equity		4,498,826,691	3,967,519,451
SURPLUS ON REVALUATION OF INVESTMENTS		5,724,343	9,495,741
NON-CURRENT LIABILITIES			
Security deposits against lease financing assets		-	26,320,785
Liability against right of use assets	14	18,141,975	8,284,058
		18,141,975	34,604,843
CURRENT LIABILITIES			
Certificates of investment (musharaka)	13	12,992,724,283	11,262,599,835
Security deposits - current portion		-	33,661,163
Current maturity of liability against right of use assets	14	2,547,967	1,980,642
Unearned lease financing and diminishing musharaka installments		100,852,482	79,964,659
Advance lease financing and diminishing musharaka installments		18,954,961	11,111,098
Trade and other payables		978,462,209	741,298,141
Profit payable on certificates of investment (musharaka)		308,306,364	223,420,415
Running musharaka		748,756,277	748,281,800
Unclaimed profit distributions		51,578,409	48,880,060
		15,202,182,952	13,151,197,813
		19,724,875,961	17,162,817,848
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
15			

The annexed notes from 1 to 22 form an integral part of these interim financial statements.

**For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Nine months ended		Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		-----Rupees-----		-----Rupees-----	
Income from lease financing		38,523,599	111,995,409	-	28,138,931
Income from diminishing musharaka financing		2,248,423,150	897,842,139	826,843,848	391,877,342
Provision in respect of diminishing musharaka		(151,173,216)	(42,119,937)	(5,615,984)	(20,229,825)
Administrative expenses		(161,541,495)	(123,655,207)	(60,607,149)	(41,560,109)
		1,974,232,038	844,062,404	760,620,715	358,226,339
Other income		192,132,083	76,982,939	70,102,123	26,081,088
		2,166,364,121	921,045,343	830,722,838	384,307,427
Financial charges		(1,586,432,652)	(568,548,862)	(598,185,740)	(258,381,638)
Modaraba Management Company's remuneration	16	(57,993,147)	(35,249,648)	(23,253,710)	(12,592,579)
Sales tax on Modaraba Management Company's remuneration	16	(7,539,109)	(4,582,454)	(3,022,982)	(1,637,035)
Provision for Sindh Workers' Welfare Fund		(10,287,984)	(6,253,289)	(4,125,207)	(2,233,925)
Profit before taxation		504,111,229	306,411,090	202,135,199	109,462,250
Taxation	17	(95,012,798)	(40,082,414)	(23,829,899)	(22,351,674)
Profit for the period		409,098,431	266,328,676	178,305,300	87,110,576
Earning per certificate - basic and diluted	18	1.85	1.32	0.80	0.43

The annexed notes from 1 to 22 form an integral part of these interim financial statements.

For Habib Metropolitan Modaraba Management Company (Private) Limited
 (Modaraba Management Company)

Chief Executive Officer

Chief Financial Officer

Director

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Nine months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	-----Rupees-----		-----Rupees-----	
Profit for the period	409,098,431	266,328,676	178,305,300	87,110,576
Components of other comprehensive income reflected below equity				
Items that will not be reclassified subsequently to profit and loss account				
Surplus on revaluation of investments classified as 'at fair value through other comprehensive income'- net	(2,949,810)	57,308,955	3,965,000	(27,573,084)
Total comprehensive income for the period	406,148,621	323,637,631	182,270,300	59,537,492

The annexed notes from 1 to 22 form an integral part of these interim financial statements.

**For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Capital reserves			Revenue reserves		Total equity	
	Certificate capital	Certificate premium	Acquisition Reserve	Statutory reserves	General reserves		Unappropriated profit
	(Rupees)						
Balance as at July 01, 2021	1,008,000,000	378,000,000	-	1,207,937,890	640,000,000	393,129,923	3,627,067,813
Profit distribution for the year ended June 30, 2021 @ Rs.1.40 per certificate	-	-	-	-	-	(282,240,000)	(282,240,000)
Total comprehensive income for the period	-	-	-	-	-	266,328,676	266,328,676
Balance as at March 31, 2022	1,008,000,000	378,000,000	-	1,207,937,890	640,000,000	377,218,599	3,611,156,489
Balance as at July 01, 2022	1,008,000,000	378,000,000	-	1,284,362,639	740,000,000	557,156,812	3,967,519,451
Reserve arising on acquisition	-	-	219,503,899	-	-	-	219,503,899
Capital to be issued pursuant to acquisition	100,305,000	-	-	-	-	-	100,305,000
Profit distribution for the year ended June 30, 2022 @ Re.1.00 per certificate	-	-	-	-	-	(201,600,000)	(201,600,000)
Total comprehensive income for the period	-	-	-	-	-	409,098,431	409,098,431
Surplus transferred to unappropriated profit during the period	-	-	-	-	-	3,999,910	3,999,910
Balance as at March 31, 2023	1,108,305,000	378,000,000	219,503,899	1,284,362,639	740,000,000	768,655,153	4,498,826,691

The annexed notes from 1 to 22 form an integral part of these interim financial statements.

For Habib Metropolitan Modaraba Management Company (Private) Limited
 (Modaraba Management Company)

Chief Executive Officer

Chief Financial Officer

Director

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	March 31, 2023	March 31, 2022
Rupees			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period		504,111,229	306,411,090
Adjustment for:			
Depreciation and amortization		61,409,394	264,828,059
Financial charges		1,503,953,569	537,344,472
Gain on transfer of lease financing assets - net		(37,835,303)	(11,601,819)
Gain on disposal of assets in own use - net		(365,657)	(165,569)
Provision in respect of diminishing musharaka		151,173,216	42,119,937
Gain on termination of lease contract		(2,547,681)	-
Dividend income		(1,500,000)	(15,961,688)
		1,674,287,538	816,563,392
Changes in working capital			
Decrease / (increase) in current assets			
Diminishing musharaka financing installments receivables		(151,784,882)	(52,109,629)
Lease financing installments receivables		-	385,597
Advances, deposits and prepayments		(257,453,585)	1,728,998
Income tax refundable		47,200,890	-
Other receivables		31,345,025	(6,735,602)
		(330,692,552)	(56,730,636)
(Decrease) / increase in current liabilities			
Unearned lease financing and diminishing musharaka installments		20,887,823	30,737,203
Advance lease financing and diminishing musharaka installments		7,843,863	327,444
Trade and other payables		229,327,035	155,627,384
		258,058,721	186,692,031
Cash generated from operations		2,105,764,936	1,252,935,877
Purchase of lease financing assets		-	(57,982,023)
Proceeds from transfer of lease financing assets		175,913,407	328,869,803
Diminishing musharaka financing - net		(2,347,121,398)	(4,464,613,974)
Long term advances, deposits and prepayments		25,000	-
Security deposits against lease financing assets		(59,981,948)	(96,863,496)
Financial charges paid		(1,417,581,583)	(460,290,711)
Tax paid		(31,058,871)	(15,250,317)
		(3,679,805,393)	(4,766,130,718)
Net cash used in operating activities		(1,570,040,457)	(3,513,194,841)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of assets in own use		(24,069,703)	(13,870,173)
Purchase of Intangible assets		-	(182,531)
Purchase of investments		-	(289,153,500)
Proceeds from sale / maturity of investments		51,301,475	-
Payments of lease rentals		(5,023,284)	(1,448,689)
Proceeds from sale of assets in own use		9,188,151	169,363
Dividends received		1,500,000	15,961,688
Net cash generated from / (used in) investing activities		32,896,639	(288,523,842)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid		(199,201,023)	(279,309,032)
Certificates of investment (musharaka)		1,730,124,448	3,032,052,460
Net cash inflow from financing activities		1,530,923,425	2,752,743,428
Net decrease in cash and cash equivalents during the period		(10,220,393)	(1,048,975,255)
Cash and cash equivalents at the beginning of the period		(329,366,278)	655,751,071
Transferred from HMM due to amalgamation		196,685,480	-
Cash and cash equivalents at the end of the period	11	(142,901,191)	(393,224,184)

The annexed notes from 1 to 22 form an integral part of these interim financial statements.

**For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

Director

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

1. STATUS AND NATURE OF BUSINESS

First Habib Modaraba (the Modaraba) is a perpetual, multi-purpose modaraba floated and managed by Habib Metropolitan Modaraba Management Company (Private) Limited (the Modaraba Management Company) The Modaraba is listed on Pakistan Stock Exchange Limited. The Modaraba is engaged in the business of leasing, Musharaka, Murabaha financing and other related business. The affairs, activities and transactions, performed by the Modaraba during the period comply with the rules and principles of Islamic Shariah in light of the guidelines and directives given by the Shariah Advisor and guidelines issued by office of the Registrar Modaraba, Securities and Exchange Commission of Pakistan Limited (SECP). The registered office of the Modaraba is at 6th Floor at HBZ Plaza, Hirani Centre, I.I. Chundrigar Road, Karachi.

1.1 Amalgamation of Habib Metro Modaraba (HMM) and First Habib Modaraba (FHM)

The Board of Directors of Habib Metropolitan Modaraba Management Company (Private) Limited (the Modaraba Management Company), being the modaraba management company of First Habib Modaraba (the Modaraba), in their meeting held on June 06, 2022 principally approved the Scheme of Arrangement under Sections 279 to 282 and 285(8), read with Section 505, of the Companies Act, 2017, to be entered into between the Modaraba Management Company, Habib Metro Modaraba (another Modaraba managed by the Modaraba Management Company) and the Modaraba.

The High Court of Sindh passed order JCM No. 18 of 2022 under section 279(2) of the Companies Act 2017 sanctioning the scheme of amalgamation with effect from July 01, 2022 binding the FHM and HMM (herein after referred as "Amalgamated Companies") and creditors and shareholders of the companies along with all other persons.

The terms of the Scheme of Amalgamation have resulted in immediate dissolution without winding up of the HMM. All the assets and liabilities along with all other contracts, certificates, bonds, documents, correspondences, records, agreements and instruments of any nature whatsoever in relation to the HMM are transferred in the name of FHM which shall continues to its legal form as a result of amalgamation. In consideration, 20,061,000 fully paid ordinary certificates of Rs. 5 each are to be issued to the registered certificate holders of HMM. The swap ratio calculated based on the financial statement for the period ended March 31, 2022 and 0.6687 certificates of FHM to be issued for 1 certificate of HMM.

This amalgamation was accounted for in the books using predecessor's accounting method as it was a business combination of entities under common control and therefore scoped out of IFRS-3 'Business Combinations'. The net assets of FHM have been incorporated at their net carrying amount in the books as on July 01, 2022 and the difference in value of the net assets and certificates as issued above has been carried in the equity under the head "Acquisition reserve". Furthermore, the acquired entity's results and balance sheet are incorporated prospectively from the date on which the business combination occurred. Consequently, these financial statements do not reflect the results of the acquired entity for the period before the transaction occurred and the corresponding amounts for the previous year presented are also not restated.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- The requirements of Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas (hereinafter referred to as the relevant laws).

Where provisions and directives issued under Companies Act, 2017 and the relevant laws differ from IFRS Standards, the provisions and directives issued under Companies Act, 2017 and the relevant laws have been followed.

- 2.2** The SECP has issued directive (vide SRO 431 (I) / 2007 dated May 22, 2007) that Islamic Financial Accounting Standard 2 (IFAS 2) shall be followed in preparation of the financial statements by Companies and Modarabas while accounting for Lease Financing transactions as defined by the said standard. The Modaraba has adopted the said standard.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

2.3 The interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Modaraba as at and for the year ended June 30, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2022, except for the adoption of amendments and improvements to approved accounting standards which became effective for the current period as disclosed in note 4 to these condensed interim financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2022.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

4.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial statements.

4.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date (annual periods beginning on or after)
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2023
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

5. ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

The assumptions, judgements and estimates used by the management in the preparation of these condensed interim financial statements are same as those applied in the Modaraba annual financial statements for the year ended June 30, 2022.

	(Unaudited)	(Audited)
	March 31, 2023	June 30, 2022
	-----Rupees-----	
6. LEASE FINANCING ASSETS		
Lease financing assets	-	185,055,850
Advance against lease financing assets	-	-
	-	185,055,850
7. ASSETS IN OWN USE		
Assets in own use	28,326,169	32,724,232
Right of use assets	22,764,397	17,505,148
	51,090,566	50,229,380
7.1		
Balance at beginning of the period / year	17,505,148	22,582,192
Addition during the period	16,791,091	-
Depreciation expense	(3,922,044)	(5,077,044)
Terminated during the period	(7,609,798)	-
Closing	22,764,397	17,505,148
8. DIMINISHING MUSHARAKA FINANCING - SECURED		
Diminishing musharka financing	16,784,584,694	13,438,064,734
Less: Provision in respect of Diminishing Musharaka	(386,037,352)	(254,830,967)
	16,398,547,342	13,183,233,767
Less: Current portion	(5,836,848,814)	(4,723,078,394)
	10,561,698,528	8,460,155,373
Advance against diminishing musharaka financing	1,843,914,966	2,712,107,143
	12,405,613,494	11,172,262,516

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	(Unaudited)	(Audited)
		March 31, 2023	June 30, 2022
-----Rupees-----			
9. INVESTMENTS			
At fair value through other comprehensive income			
Investment in shares		42,410,000	92,661,374
Investment in sukuk		80,000,000	80,000,000
		122,410,000	172,661,374
At amortised cost			
Investment in Term Deposit Musharakas (TDMs)	9.1	257,190,723	281,873,210
Investment in sukuk		273,780,160	273,780,160
		530,970,883	555,653,370
		653,380,883	728,314,744

9.1 These carry profit at rates ranging from 15% to 18% (June 30, 2022: 6.40% to 13%) per annum.

	Note	(Unaudited)	(Audited)
		March 31, 2023	June 30, 2022
-----Rupees-----			
10. INCOME TAX REFUNDABLE			
Income tax	10.1	42,269,439	89,470,329

10.1 This represents the advance tax deducted by the various withholding agents under various sections of the Income Tax Ordinance, 2001. The management has claimed the tax deducted in return for the Tax Year 2022, as the management is confident that the same shall be refunded.

	Note	(Unaudited)	(Audited)
		March 31, 2023	June 30, 2022
-----Rupees-----			
11. CASH AND CASH EQUIVALENTS			
Cash and bank balance		348,664,363	137,042,312
Term Deposit Musharakas (TDMs)		257,190,723	281,873,210
Running musharakah	11.1	(748,756,277)	(748,281,800)
		(142,901,191)	(329,366,278)

11.1 RUNNING MUSHARAKA

11.1.1 Facility for Running Musharaka is obtained from Meezan Bank Limited up to Rs.250 million during the year. The profit rate on this facility is 3 month KIBOR plus 0.25% per annum. The facility is secured against 1st hypothecation charge on all Modaraba's present and future movable/immovable fixed assets with 30% margin.

11.1.2 Facility for Running Musharaka is obtained from Habib Bank Limited upto Rs.500 million during the year. The profit rate on this facility is 3 month KIBOR plus 0.25% per annum. The facility is secured against 1st supplemental letter of hypothecation of fixed assets (plant, machinery and equipment) for Rs.715 million.

12. ACQUISITION RESERVE

As detailed in Note 1.2, following are the carrying amounts of assets and liabilities transferred from HMM to FHM pursuant to the scheme of amalgamation. The difference between the net assets and other reserves acquired and share capital issued against those net assets have been recorded as Acquisition Reserve:

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

ASSETS

Fixed assets in own use
Diminishing musharaka financing
Deferred tax asset
Short term prepayments and other receivables
Accrued profit
Taxation - net
Cash and cash equivalent
Total assets - A

LIABILITIES

Creditors, accrued and other liabilities
Unclaimed profit distribution
TOTAL Liabilities - B
Net assets acquired C = (A - B)

less:Certificates to be issued pursuant to amalgamation
less:Dividend paid
Acquisition Reserve

HMM
1,125,555
287,712,331
381,271
2,250,065
664,839
4,092,515
74,337,470
370,564,046
37,133,901
121,246
37,255,147
333,308,899
(100,305,000)
(13,500,000)
219,503,899

	Note	(Unaudited)	(Audited)
		March 31, 2023	June 30, 2022
Rupees			
13. CERTIFICATES OF INVESTMENT (MUSHARAKA) - UNSECURED			
Certificates of investment (musharaka)	13.1	12,992,724,283	11,262,599,835

13.1 These certificates have different denominations and are repayable within three months to one year. The estimated share of profit paid / payable on these certificates ranges between 10.40% to 21.00% (June 30, 2022: 5.50% to 15.85%) per annum.

	(Unaudited)	(Audited)
	March 31, 2023	June 30, 2022
Rupees		
14. LIABILITY AGAINST RIGHT OF USE ASSETS		
Opening	10,264,700	23,695,845
Finance cost for the period	1,486,037	2,797,640
Payments made during the period	(5,023,304)	(16,228,785)
Addition during the period	16,791,091	-
Terminated during the period	(2,828,582)	-
Closing	20,689,942	10,264,700
Less: Current maturity	(2,547,967)	(1,980,642)
	18,141,975	8,284,058

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There is no change in the status of the case related to letter received by the Modaraba last year from Sindh Revenue Board (SRB) dated August 09, 2018, related to sales tax on lease rentals / lease financing transactions as mentioned in note 26.1 to annual financial statement of the Modaraba for the year ended June 30, 2022.

15.2 Commitments

Commitments in respect of financing transactions amounted to Rs.1,333 (June 30, 2022: Rs.839) million.

16. MODARABA MANAGEMENT COMPANY'S FEE INCLUSIVE OF SALES TAX

16.1 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. The fee for the period ended March 31, 2022 has been recognized at 10% (March 31, 2022: 10%) of profit for the period.

16.2 There is no change in the status of the Sindh Sales Tax levied by the Sindh Government at the rate of 13% (March 31, 2022: 13%) on the remuneration of the Modaraba Management Company, as reported in note 24.5 to the annual financial statements of the Modaraba for the year ended June 30, 2022.

	(Unaudited)	(Audited)
	March 31, 2023	June 30, 2022
-----Rupees-----		
17. TAXATION		
Current		
- for the year	146,636,924	148,466,087
- for prior years	-	-
Deferred	146,636,924	148,466,087
	(51,624,126)	(35,310,690)
	95,012,798	113,155,397

18. EARNINGS PER CERTIFICATE - BASIC AND DILUTED

There is no dilutive effect on earnings per certificate which is based on:

	(Un-audited)			
	Nine months ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
-----Rupees-----				
Net profit for the period	409,098,431	266,328,676	178,305,300	87,110,576
Weighted average number of ordinary certificates	221,661,000	201,600,000	221,661,000	201,600,000
Basic earnings per certificate	1.85	1.32	0.80	0.43

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

19. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise the Management Company (Habib Metropolitan Modaraba Management Company (Private) Limited), Habib Metropolitan Bank Limited, Habib Bank AG Zurich, Habib Metro Modaraba, Habib Metropolitan Financial Services Limited, First Habib Modaraba Employees' Provident Fund, First Habib Modaraba Employees' Gratuity Fund and key management personnel. Transactions and balances outstanding with related parties and associated undertakings are as follows:

			(Unaudited)	(Audited)
			March 31, 2023	June 30, 2022
			Rupees	
Balances held				
Related party	Related party relationship	Nature of balances		
Habib Metropolitan Bank Limited	Holding Company	Bank Balances	336,473,758	134,830,365
		Investment in Term Deposit Musharaka	-	-
		Certificates of investment (musharaka)	4,850,000,000	4,550,000,000
		Profit receivable	2,589,704	5,137,584
		Financial Charges Payable	68,668,151	71,446,986
		Utility charges Payable	396,023	2,354,333
		Rent Payable	-	-
		Security deposit	130,000	130,000
Habib Metropolitan Modaraba Management Company (Private) Limited	Management Company	Management fee payable	57,993,147	56,977,101
		Sale tax on management fee payable	38,780,023	31,240,914
			(Unaudited)	
			March 31, 2023	March 31, 2022
			Rupees	
Transactions during the period				
Related party	Related party relationship	Nature of transactions		
Habib Metropolitan Bank Limited	Holding Company	Profit on bank accounts	58,996,309	25,800,273
		Bank charges	575,427	510,888
		Utility charges	2,436,761	2,990,678
		Rent expense	-	344,556
		Financial charges	527,112,745	187,647,148
Habib Metropolitan Modaraba Management Company (Private) Limited	Management Company	Management fee	57,993,147	35,249,648
		Sale tax on management fee	7,539,109	4,582,454
		Management fee paid	56,977,101	41,776,705
		Dividend paid	20,160,000	28,224,000
Habib Metropolitan Financial Services Limited	Associate	Brokerage commission	54,375	24,000
		Purchase of securities	-	15,478,500
		Sale of securities	50,826,842	-
Staff Retirement Benefit Fund	Associate	Gratuity expense	2,700,000	2,475,000
Provident Fund	Associate	Contribution made	3,032,717	2,566,525

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

19.1 No remuneration in kind has been paid by the Modaraba to the directors and key management personnel of Modaraba Management Company.

19.2 The Modaraba carries out transactions with related parties at commercial terms and conditions as per Modaraba's policy.

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	March 31, 2023 (Un-audited)				Fair value			
	Carrying amount				Fair value			
	At Fair value through OCI	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees)				(Rupees)			
Financial assets measured at fair value								
Shares of listed companies	42,410,000	-	-	42,410,000	42,410,000	-	-	42,410,000
Sukuk	80,000,000	-	-	80,000,000	-	80,000,000	-	80,000,000
	122,410,000	-	-	122,410,000	42,410,000	80,000,000	-	122,410,000
Financial assets not measured at fair value (note 18.1)								
Investment in Term Deposit Musharaka (TDMs)	-	-	257,190,723	257,190,723				
Diminishing musharaka financing	-	-	18,242,462,308	18,242,462,308				
Long term deposits	-	-	1,147,800	1,147,800				
Diminishing musharaka financing installments receivables	-	-	2,949,742	2,949,742				
Advances	-	-	6,576,663	6,576,663				
Other receivables	-	-	25,311,347	25,311,347				
Cash and bank balances	-	-	348,664,363	348,664,363				
	-	-	18,884,302,946	18,884,302,946				

During the period ended March 31, 2023, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

	June 30, 2022 (Audited)				Fair value			
	Carrying amount				Fair value			
	At Fair value through OCI	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees)				(Rupees)			
Financial assets measured at fair value								
Shares of listed companies	92,661,374	-	-	92,661,374	92,661,374	-	-	92,661,374
Sukuk	80,000,000	-	-	80,000,000	-	80,000,000	-	80,000,000
	172,661,374	-	-	172,661,374	92,661,374	80,000,000	-	172,661,374
Financial assets not measured at fair value								
Investment in Term Deposit Musharaka (TDMs)	-	-	281,873,210	281,873,210				
Investment in GOP Ijarah sukuk	-	-	273,780,160	273,780,160				
Diminishing musharaka financing	-	-	15,895,340,910	15,895,340,910				
Long term advances and deposits	-	-	1,172,800	1,172,800				
Diminishing musharaka financing installments receivables	-	-	2,338,076	2,338,076				
Advances	-	-	10,604,411	10,604,411				
Other receivables	-	-	25,597,501	25,597,501				
Cash and bank balances	-	-	136,525,764	136,525,764				
	-	-	16,627,232,832	16,627,232,832				

	March 31, 2023 (Un-audited)			June 30, 2022 (Audited)		
	At fair value	Other financial liabilities	Total	At fair value	Other financial liabilities	Total
	(Rupees)			(Rupees)		
Financial liabilities						
Security deposits against lease financing assets	-	-	-	-	59,981,948	59,981,948
Certificates of investment (musharaka)	-	12,992,724,283	12,992,724,283	-	11,262,599,835	11,262,599,835
Unearned lease financing and diminishing musharaka installments	-	100,852,482	100,852,482	-	79,964,659	79,964,659
Advance lease financing and diminishing musharaka installments	-	18,954,961	18,954,961	-	11,111,098	11,111,098
Trade and other payables	-	868,484,564	868,484,564	-	636,248,097	636,248,097
Profit payable on certificates of investment (musharaka)	-	308,306,364	308,306,364	-	223,420,415	223,420,415
Unclaimed profit distributions	-	51,578,409	51,578,409	-	48,880,060	48,880,060
	-	14,340,901,063	14,340,901,063	-	12,322,206,112	12,322,206,112

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

20.1 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.

21. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 27, 2023 by the Board of Directors of the Modaraba Management Company.

22. GENERAL

22.1 Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current period. However, there are no material reclassification / re-arrangement to report.

22.2 Figures have been rounded off to the nearest rupee.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

Chief Executive Officer

Chief Financial Officer

Director

Director