

**1ST QUARTERLY REPORT**  
September 30, 2023  
(Un-audited)



**FIRST AL-NOOR MODARABA**  
*(An Islamic Financial Institution)*

## CONTENTS

Company Information	2
Directors' Report (English)	3
Directors' Report (Urdu)	4
Condensed Interim Statement of Financial Position	5
Condensed Interim Profit and Loss Account	6
Condensed Interim Statement of Other Comprehensive Income	7
Condensed Interim Statement of Cash Flow	8
Condensed Interim Statement of Changes in Equity	9
Notes to the Condensed Interim Financial Statements	10



## COMPANY INFORMATION

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### BOARD OF DIRECTORS

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#### *Non Executive Directors*

##### **Chairman**

Mr. Zia Zakaria

##### **Directors**

Mr. Abdul Aziz Ayooob

Mr. Noor Zakaria

Mr. Abdul Rahim Suriya, Independent

Mr. Tausif Ilyas, Independent

Dr. Irum Saba, Independent

#### *Executive Directors*

##### **Chief Executive**

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Mr. Zainuddin Aziz

##### **Chief Financial Officer**

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Mr. Umair Rafiq

##### **Company Secretary**

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Mr. Roofi Abdul Razzak

##### **Board Audit Committee - Chairman**

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Mr. Abdul Rahim Suriya - Chairman

Mr. Tausif Ilyas - Member

Mr. Zia Zakaria - Member

##### **HR & Remuneration Committee**

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Mr. Tausif Ilyas - Chairman

Mr. Zainuddin Aziz - Member

Mr. A. Aziz Ayooob - Member

##### **Bankers**

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Al-Baraka Bank (Pakistan) Limited

Askari Bank Limited, Islamic Banking

Faysal Bank Limited, Barkat Islamic Banking

Habib Bank Limited, Islamic Banking

MIB Bank Limited, Islamic Banking

Meezan Bank Limited

National Bank of Pakistan

##### **Auditors**

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Grant Thornton Anjum Rahman

Chartered Accountants

##### **Shariah Advisor**

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Al Hamd Shariah Advisory Services (Pvt.) Ltd.

##### **Legal Advisor**

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Mr. Sufyan Zaman

Advocate High Court

##### **Share Registrar (Share Registration Office)**

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M/s FAMCO Associates (Private) Limited

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

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

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

Fax: 3438 0106

##### **Registered Office**

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96-A, Sindhi Muslim Cooperative

Housing Society, Karachi

##### **Contact Details**

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Telephone : 34558268; 34552943; 34553067

Fax : 34553137

Webpage : www.fanm.co

Email : info@fanm.co

## REPORT OF THE DIRECTORS OF MODARABA COMPANY For the 1st Quarter Ended September 30, 2023

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 Un-Audited Financial Statements of the Modaraba for the first quarter ended September 30, 2023:

Financial Results	For the Quarter Ended	
	September 30, 2023	September 30, 2022
	-----Amount in Pak. Rupees-----	
Profit before taxation	(366,120)	4,236,002
Taxation	(258,577)	(825,320)
Profit after Taxation	(624,697)	3,410,682
Components of Other Comprehensive Income	-	-
(Deficit)/Surplus transferred to accumulated losses	-	-
Transfer to Statutory Reserve	-	-
Unappropriated profit/(loss) brought forward	(52,593,310)	(52,413,130)
Unappropriated profit/(loss) carried forward	(53,218,007)	(49,002,448)

During the quarter compared to last year's period, the revenue decreased by over 38%, translating into a net loss of Rs. 0.625 million or 0.03 per certificate.

The management anticipates better after-tax profit in the remainder of the current financial year ending June 30, 2024.

On behalf of the Board

sd/-

**Zainuddin Aziz**  
Chief Executive/Director

Dated : October 24, 2023

Place : Karachi

## مضاربہ کمپنی کی ڈائریکٹر رپورٹ برائے اختتام پہلی سہ ماہی مدت 30 ستمبر 2023ء (غیر نظر ثانی شدہ)

النور مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، فرسٹ النور مضاربہ (FAM) کی "مضاربہ/انتظامی کمپنی"، ہمیں مضاربہ کے غیر آڈٹ شدہ مالیاتی گوشواروں کو پیش کرتے ہوئے خوشی ہو رہی ہے، 30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کی:

مالیاتی نتائج		ختم ہونے والی سہ ماہی کے لیے
	30 ستمبر 2023	30 ستمبر 2022
ٹیکس سے پہلے منافع	(366,120)	4,236,002
ٹیکسیشن	(258,577)	(825,320)
ٹیکسیشن کے بعد منافع	(624,697)	3,410,682
دیگر جامع آمدنی کے اجزاء	-	-
سرپلس (خسارہ) جمع شدہ نقصانات میں منتقل	-	-
قانونی ریزرو میں منتقلی	-	-
غیر منقسم منافع/ (نقصان) آگے لایا گیا۔	(52,593,310)	(52,593,310)
غیر منقسم منافع/ (نقصان) آگے بڑھایا گیا۔	(53,218,007)	(49,002,448)

گزشتہ اسی سال کی مدت کے مقابلے میں سہ ماہی کے دوران، آمدنی میں 38 فیصد سے زیادہ کمی واقع ہوئی، جس سے روپے کا خالص نقصان 0.625 ملین یا 0.03 فی سرٹیفکیٹ ہوا۔  
انتظامیہ کو 30 جون 2024 کو ختم ہونے والے موجودہ مالی سال کے بقیہ حصے میں بہتر بعد از ٹیکس منافع کی توقع ہے۔

بورڈ کی جانب سے  
زین الدین عزیز  
چیف ایگزیکٹو/ڈائریکٹر

بتاریخ: 24 اکتوبر 2023  
برقم: کراچی

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**As at September 30, 2023 (Un-audited)**

	Note	(Un-Audited) Sep 30, 2023	(Audited) June 30, 2023
<b>.... Rupees ....</b>			
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	4	122,163,030	23,150,626
Short term investments	5	7,609,254	28,490,983
Musawammah receivable	6	-	-
Stock In Trade		8,824,293	111,377,444
Profit receivable		2,196,752	1,290,909
Diminishing musharakah receivable		2,360,649	7,012,720
Advances, deposits, prepayments and other receivables		7,573,668	3,031,307
Taxation		3,705,191	3,528,462
		<b>154,432,837</b>	<b>177,882,451</b>
<b>Non - current assets</b>			
Long term deposits		3,848,260	3,842,911
Long term investments	7	77,702,465	48,693,011
Diminishing musharakah financing	8	27,361,559	31,837,755
Deferred tax		1,278,667	1,278,667
Fixed assets	9	1,524,198	1,729,956
		<b>111,715,149</b>	<b>87,382,300</b>
<b>TOTAL ASSETS</b>		<b>266,147,986</b>	<b>265,264,751</b>
<b>CERTIFICATE HOLDERS' EQUITY</b>			
Authorised certificate capital		400,000,000	400,000,000
Issued, subscribed, and paid - up certificate capital	10	231,000,000	231,000,000
Reserves	11	77,284,721	77,284,641
Accumulated losses		(52,968,007)	(52,343,230)
		<b>255,316,714</b>	<b>255,941,411</b>
Deficit on revaluation of investments	12	(1,723,988)	(2,215,042)
<b>LIABILITIES AND CERTIFICATE HOLDERS' EQUITY</b>			
<b>Non - current liabilities</b>			
Deferred Liability-Staff Gratuity		4,355,239	4,931,967
<b>Current liabilities</b>			
Creditors, accrued and other liabilities		2,680,374	1,098,427
Provision for custom duty & surcharge		4,398,842	4,398,842
Unclaimed profit distributions		1,109,146	1,109,146
Charity Payable		11,660	-
		<b>8,200,022</b>	<b>6,606,415</b>
<b>TOTAL LIABILITIES</b>		<b>12,555,261</b>	<b>11,538,382</b>
<b>TOTAL LIABILITIES AND CERTIFICATE HOLDERS' EQUITY</b>		<b>266,147,987</b>	<b>265,264,751</b>
Contingencies and commitments	13	-	-

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

sd/-  
Chief Executive Officer

sd/-  
Chief Executive Officer

sd/-  
Director

sd/-  
Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

	Note	Sep 30, 2023	Sep 30, 2022
		... Rupees ...	
Loss from trading operations	14	(4,635,543)	-
Income on Diminishing Musharakah		2,765,630	4,009,683
Income from investments	15	8,479,860	6,712,307
		<u>6,609,947</u>	<u>10,721,990</u>
Administrative and operating expenses		(6,870,191)	(6,610,104)
Reversal of provision against non performing loan		300,000	1,650,000
Financial and other charges		(2,694)	(176)
		<u>(6,572,884)</u>	<u>(4,960,280)</u>
<b>Operating profit / (loss)</b>		37,063	5,761,710
Other income		213,538	622,109
		<u>250,601</u>	<u>6,383,819</u>
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss		(616,722)	(1,498,004)
Share of profit from associates		-	-
		<u>(366,120)</u>	<u>4,885,815</u>
Management co's remuneration		-	(488,581)
Sales Tax on management co's remuneration		-	(97,716)
Workers welfare fund		-	(63,516)
Profit before taxation		(366,120)	4,236,002
Income tax expense		(258,577)	(825,320)
<b>Profit after taxation</b>		<u>(624,697)</u>	<u>3,410,682</u>
			Restated
<b>Earning per certificate - (Including bonus certificates)</b>		<u>(0.03)</u>	<u>0.15</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

sd/-  
Chief Executive Officer

sd/-  
Chief Executive Officer

sd/-  
Director

sd/-  
Director

**CONDENSED INTERIM STATEMENT OF  
OTHER COMPREHENSIVE INCOME**  
For the 1st Quarter Ended September 30, 2023 (Un-audited)

	Note	Sep 30, 2023 .... Rupees ....	Sep 30, 2022
Profit/(Loss) after taxation		(624,697)	3,410,682
<b>Components of other comprehensive income reflected in equity</b>			
<b>Items that will not be reclassified subsequently profit and loss account</b>			
Remeasurement of net defined benefit liability		-	-
Share of other comprehensive income of associate -incremental depreciation		-	-
Gain realised from sale of available for sale investments		-	-
Other comprehensive loss		-	-
<b>Total comprehensive income / (loss) for the period transferred to equity</b>		<b>(624,697)</b>	<b>(1,417,308)</b>
Equity investments at FVOCI - change in fair value during the period		-	(75,087)
Impact of deferred tax	12	-	177,998
<b>Total comprehensive (Loss) / Income</b>		<b>(624,697)</b>	<b>(1,492,395)</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

sd/-  
Chief Executive Officer

sd/-  
Chief Executive Officer

sd/-  
Director

sd/-  
Director



**CONDENSED INTERIM STATEMENT OF CASH FLOW**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

	Note	(Un-Audited) Sep 30, 2023	(Un-Audited) Sep 30, 2022
		.... Rupees ....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash from operations after working capital changes	17	3,242,017	(9,599,565)
Long term deposits		-	4,395
Reversal of provision against non performing loan		1,650,000	1,650,000
Income tax paid		(258,577)	(825,320)
Financial charges paid		(2,694)	(13,024)
Gratuity Paid		(4,180,000)	-
<b>Net cash generated from operating activities</b>		<b>450,746</b>	<b>(8,783,515)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net Investments made		8,127,725	30,756,261
Placement in sukuuk		10,000,000	-
Maturity of TDR's Placements		-	90,000,000
TDR Placements		(97,000,000)	(75,000,000)
Purchase of Stock in Trade		-	-
Sale proceeds on disposal of Stock in Trade		102,553,151	613,166
<b>Net cash generated from / (used in) operations</b>		<b>23,680,876</b>	<b>46,369,427</b>
<b>Net increase in cash and cash equivalents</b>		<b>24,131,623</b>	<b>83,955,338</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>98,031,407</b>	<b>14,076,069</b>
<b>Cash and cash equivalents at the end of the period</b>	4	<b>122,163,030</b>	<b>98,031,407</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

sd/-  
Chief Executive Officer

sd/-  
Chief Executive Officer

sd/-  
Director

sd/-  
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

	Issued, subscribed, and paid-up certificate capital	Reserve				Total reserves	Total
		Statutory reserve	General reserve	Accumulated losses	Subtotal		
----- Rupees -----							
Balance as at July 01, 2022	210,000,000	98,177,730	250,000	(52,413,130)	(52,163,130)	46,014,600	256,014,600
Issue of bonus shares	21,000,000	(21,000,000)	-	-	-	(21,000,000)	-
Profit for the year				534,553	534,553	534,553	534,553
Other comprehensive loss	-	-	-	1,272,775	1,272,775	1,272,775	1,272,775
Total comprehensive income for the year				1,807,328	1,807,328	1,807,328	1,807,328
Deficit transferred to accumulated loss				(1,880,517)	(1,880,517)	(1,880,517)	(1,880,517)
Transfer to statutory reserve	-	106,991.00		(106,991)	(106,991)	-	
<b>Balance as at June 30, 2023</b>	<b>231,000,000</b>	<b>77,284,721</b>	<b>250,000</b>	<b>(52,593,310)</b>	<b>(52,343,310)</b>	<b>24,941,411</b>	<b>255,941,411</b>
<b>Balance as at July 01, 2023</b>	<b>231,000,000</b>	<b>77,284,721</b>	<b>250,000</b>	<b>(52,593,310)</b>	<b>(52,343,310)</b>	<b>24,941,411</b>	<b>255,941,411</b>
Loss for the period	-	-	-	(624,697)	(624,697)	-	(624,697)
<b>Balance as at Sep 30, 2023</b>	<b>231,000,000</b>	<b>77,284,721</b>	<b>250,000</b>	<b>(53,218,007)</b>	<b>(52,968,007)</b>	<b>24,941,411</b>	<b>255,316,714</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

sd/-  
Chief Executive Officer

sd/-  
Chief Executive Officer

sd/-  
Director

sd/-  
Director

## **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

### **For the 1st Quarter Ended September 30, 2023 (Un-audited)**

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#### **1 LEGAL STATUS AND NATURE OF BUSINESS**

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

The Modaraba is a perpetual, multi purpose and multi dimensional Modaraba and is primarily engaged in providing Ijarah financing, Musharikhah, Diminishing musharkah, Murabaha, Musawamah, Equity investment and other Shari'ah compliant trading activities. The Modaraba is listed on the Pakistan Stock Exchange (PSX).

#### **2 BASIS OF PREPARATION**

##### **2.1 Statement of compliance**

These quarterly financial statements of the Modaraba for the three months period ended 30 September 2023 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standard (IAS)-34, 'Interim Financial Reporting' issued by the International Accounting Standard Board (IASB) as notified under the Companies Act 2017;
- Provisions of and directions issued under the Companies Act 2017;
- Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulation for Modarabas; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act 2017.

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.

Where the provisions of and directives issued under the Companies Act 2017, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules 1981 and Prudential Regulations for Modarabas differ with the requirements of IAS 34 and IFAS, the provisions of and directives issued under the Companies Act 2017, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules 1981 and Prudential Regulations for Modarabas have been followed.

Where the provisions and directives issued under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulation for Modarabas differ from Companies Act 2017, the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulation for Modarabas shall prevail.

## **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

### **For the 1st Quarter Ended September 30, 2023 (Un-audited)**

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**2.1.1** 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 audited financial statements of the Modaraba as at and for the year ended June 30, 2023.

**2.1.2** These quarterly financial statements comprises of the quarterly condensed interim statement of financial statement, profit and loss account, profit and loss account, statement of comprehensive income and cash flow and statement of changes in equity and the notes forming part thereof for the 1st Quarter ended September 30, 2023.

#### **2.2 Basis of measurement**

These quarterly financial statements have been prepared under the historical cost convention except as stated otherwise in these quarterly financial statements.

#### **2.3 Functional and presentation currency**

These quarterly financial statements are presented in Pakistani Rupees which is also the Modaraba's functional and presentation currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

#### **2.4 Significant accounting estimates and judgements**

In preparing these financial statements management has made judgements, estimates and assumptions that affect the application of the Modaraba's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Modaraba's accounting policies and the key sources of estimating the uncertainty were the same as those that apply to the audited annual financial statements as at and for the year ended June 30, 2023.

### **3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of these quarterly financial statements are the same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2023 except for the adoption of the following new and amended standards, which became effective for the current period:

<b>Standards</b>	<b>Effective date (Annual periods beginning on or after)</b>
Fees in '10 percent' Test for Derecognition of Financial Liabilities (Amendment to IFRS 9)	January 1, 2022
Subsidiary as First-time Adopter (Amendment to IFRS 1)	January 1, 2022
Onerous Contracts--Cost of Fulfilling a contract (Amendments to IAS 16)	January 1, 2023
Taxation in Fair Value Measurements (Amendment to IAS 41)	January 1, 2022
Definition of Accounting Estimates (Amendments to IAS 8)	January 1, 2022
Deferred Tax related to Assets and Liabilities arising from a Single Transactions (Amendment to IAS 12)	January 1, 2022

The adoption of the above standards and amendments are not expected to have any material impact on the Modaraba's quarterly financial statements.

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

		(Un-audited) September 30, 2023	Audited June 30, 2023
	Note	-----Rupees-----	
<b>4 CASH AND BANK BALANCES</b>			
With banks in pls accounts			
- Islamic Banks /Islamic Window operations		6,050,607	4,709,685
With banks in current accounts			
- Islamic Banks / Islamic window operations		891,015	896,951
- Conventional Banks		1,204,234	543,990
		<b>2,095,249</b>	1,440,941
With banks in term deposit accounts			
- Term deposit receipts (TDRs)	4.1	114,000,000	17,000,000
Cash in hand		17,173	-
		<u>122,163,029</u>	<u>23,150,626</u>

4.1 These represents TDRs carrying profit rates ranging from 18% to 20.5% (June 30, 2023: 17.50%) and having maturities upto 3 months.

		(Un-audited) September 30, 2023	Audited June 30, 2023
	Note	-----Rupees-----	
<b>5 SHORT TERM INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
<b>Shariah compliant</b>			
Listed equity securities	5.1.1	7,609,254	11,376,538
Listed Mutual funds		-	17,114,445
		<u>7,609,254</u>	<u>28,490,983</u>

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

**5.1.1 Shahriah Compliant listed equity securities - 'at fair value through profit or loss'**  
(Oordinary shares have a face value of Rs.10/- each unless stated otherwise).

Name of investee company	Number of share's As at Sep 30, 2023	Carrying value as at Sep 30, 2023 (Rupees)	Market value as at Sep 30, 2023 (Rupees)
<b>Chemicals and Fertilizer's</b>			
Engro Fertilizer Limited	3,000	246,897	228,000
Engro Corporation Limited	1,000	273,100	242,000
		519,997	470,000
<b>Oil &amp; Gas Producers</b>			
Pakistan State Oil	2,550	329,782	312,630
Pakistan Refinery Limited	43,000	748,350	655,320
Oil And Gas Development Company Limited	4,300	420,083	414,950
Shell Pakistan Limited	8,000	1,139,516	1,071,920
High-Tech Lubricants Limited	10,000	275,850	222,200
Sui Northern Gas Pipeline	6,000	277,029	281,700
		3,190,610	2,958,720
<b>Commercial Banks</b>			
Bank Islami Pakistan Limited	21,257	401,757	368,809
<b>Engineering</b>			
International Steels Limited	7,000	300,274	298,900
Gandhara Nissan Limited	19,000	750,465	716,300
		1,050,739	1,015,200
<b>Pharmaceuticals</b>			
The Searle Company Limited	20,000	766,400	700,200
Citi Pharma Limited	5,000	124,500	110,000
Glaxo Smithkline Pakistan Ltd.	11,500	866,755	861,120
		1,757,655	1,671,320
<b>Miscellaneous</b>			
Treet Corporation	14,000	255,182	235,200
The Organic Meat Company Limited	14,500	301,836	291,450
Nishat Mills Limited	3,200	211,350	191,680
National Foods Limited	3,750	369,000	406,875
		1,137,368	1,125,205
<b>Total</b>		<b>8,058,126</b>	<b>7,609,254</b>

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

	(Un-audited) September 30, 2023	Audited June 30, 2023
	-----Rupees-----	
<b>6 MUSAWAMAH FACILITY - SECURED</b>		
Musawamah facility - secured considered doubtful	21,700,000	25,000,000
Less: provision against potential losses	<u>(21,700,000)</u>	<u>(25,000,000)</u>
	<u>-</u>	<u>-</u>

	September 30, 2023		June 30, 2023	
	Balance Outstanding	Provision held	Balance Outstanding	Provision held
	-----Rupees-----			
Loss	<u>(21,700,000)</u>	<u>(21,700,000)</u>	<u>(22,000,000)</u>	<u>(22,000,000)</u>

**6.2** This represents musawamah principal amount overdue by more than one year carried profit rate of 10% per annum secured against hypothecation of current assets, demand promissory notes, personal guarantee of directors and pledge of stocks(raw cotton). M/s Quetta Textile Mills Limited has defaulted in payment at its maturity therefore the Modaraba has filed a suit for recovery of principal and profit in Honorable Banking Court No.II amounting to Rs 25.79 Million.

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

M/s Quetta Textile Mills Limited has filed a suit against Modaraba for the recovery of Rs. 76,898,349/- along with damages, rendition of accounts, reconciliation of documents, cancellation of documents and other reliefs under section 9 of the Financial Institutions (Recovery of Finances) Ordinance 2001.

During the financial year ended June 30, 2022, Quetta Textiles Mills Limited approached Modaraba for out of court settlement and reached a settlement agreement. The settlement agreement submitted to Hon'ble Banking Court and court passed an order on August 16, 2022 with repayment schedule. Effectively modaraba recieved repayments from Quetta Textile Mills Limited and accordingly reflected in these financial statements. During the period an amount of 3.3 million has been received.

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

		(Un-audited) September 30, 2023	Audited June 30, 2023
-----Rupees-----			
<b>7 LONG TERM INVESTMENTS</b>			
Investment in Associates	7.1	9,963,741	9,402,149
<b>At fair value through other comprehensive income</b>			
<b>Shariah compliant</b>			
Equity securities-listed	7.2	2,079,090	1,821,692
Mutual funds-listed	7.3	55,659,635	27,469,170
<b>Non-shariah compliant</b>		57,738,724	29,290,862
Equity securities-listed	7.4	-	-
<b>At Amortised Cost</b>			
Investment in Sukuk Certificates		10,000,000	10,000,000
Less: Current maturity		-	-
		<u>10,000,000</u>	<u>10,000,000</u>
		<u>77,702,465</u>	<u>48,693,011</u>
<b>7.1 Investment in Associates</b>			
Opeing Balance		9,963,741	10,258,083
Share of incremental depreciation - OCI Component		-	(151,891)
Share of profit/(loss) of associate		-	(150,168)
		-	(302,059)
Dividend income		-	(553,875)
		<u>9,963,741</u>	<u>9,402,149</u>
<b>Name of Associate</b>			
Al-Noor Sugar Mills Limited			
			<b>Basis of significant influence Common directorship</b>
Number of shares held		110,775	110,775
Cost of investment		1,482,481	1,482,481
Ownership interest		0.54%	0.54%
Market value of shares		7,754,250	5,431,298



**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

**7.2 Shahriah Compliant listed equity securities - 'at fair value through other comprehensive income'**

(Ordinary shares have a face value of Rs.10/- each unless stated otherwise).

Name of investee company	Number of share's As at Sep 30, 2023	Carrying value as at Sep 30, 2023 (Rupees)	Market value as at Sep 30, 2023 (Rupees)
<b>Modarabas</b>			
First Habib Modaraba	4,171	30,407	31,700
Orix Modarba (Formerly: Orix Modaraba)	11,000	124,300	141,680
First Imrooz Modaraba	4,400	695,200	651,200
		849,907	824,580
<b>Oil &amp; Gas Producers</b>			
Attock Petroleum Limited	150	45,038	43,799
<b>Automobile Assembler</b>			
Ghandhara Nissan Limited	3,293	119,799	124,146
Ghandhara Industries Limited	4,200	338,268	464,520
		458,067	588,666
<b>Miscellaneous</b>			
Lucky Cement Limited	400	233,605	225,240
Power	4,500	18,450	18,225
HINO	800	155,677	151,120
		407,732	394,585
<b>Pharmaceuticals</b>			
The Searle Company Limited	6,497	248,965	227,460
<b>Total</b>		<b>2,009,708</b>	<b>2,079,090</b>

**7.3 Listed Mutual Funds - 'at fair value through other comprehensive income'**

Al Hamra Islamic Money Market Fund	205,855	20,484,590	20,484,590
Atlas Islamic Money Market Fund	2,001	1,015,206	1,015,206
National Bank Islamic Daily Dividend Fund	1,553,617	15,536,167	15,536,167
HBL Islamic Money Market Fund	70,409	7,138,637	7,138,637
Meezan Rozana Amadni Fund	229,701	11,485,035	11,485,035

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

	Note	(Un-audited) September 30, 2023	Audited June 30, 2023
-----Rupees-----			
<b>8</b>	<b>DIMINISHING MUSHARAKAH FINANCING</b>		
	Diminishing musharka financing	8.1 29,722,208	37,784,953
	Less: Provision in respect of Diminishing Musharaka	-	-
		<u>29,722,208</u>	<u>37,784,953</u>
	Less: Current portion	<u>(2,360,649)</u>	<u>(30,772,233)</u>
		<u>27,361,559</u>	<u>7,012,720</u>
<b>8.1</b>	These carry profit rate ranging from 9.22% to 14.50% (June 30, 2023: 9.22% to 15.50%) 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 constructive possession / ownership of vehicles		
		(Un-audited) September 30, 2023	Audited June 30, 2023
-----Rupees-----			
<b>9</b>	<b>FIXED ASSETS</b>		
	<b>Cost</b>		
	Opening Balance	1,729,956	7,966,128
	Additions during the period	-	335,400
	Disposals during the period	-	-
	<b>Balance as at Sep 30, 2023</b>	<u>1,729,956</u>	<u>8,301,528</u>
	<b>Accumulated depreciation</b>		
	Balance as at July 01, 2022	-	(5,794,906)
	Charge for the period	-	(776,666)
	Disposal	-	-
	Balance as at June 30, 2023	-	(6,571,572)
	<b>Balance as at July 01, 2023</b>	<u>1,729,956</u>	<u>1,729,956</u>
	<b>Charge for the period</b>	<u>(205,758)</u>	<u>-</u>
	<b>Disposal</b>	<u>-</u>	<u>-</u>
	<b>Balance as at Sep 30, 2023</b>	<u>1,524,198</u>	<u>1,729,956</u>
	<b>Net Book Value</b>	<u>1,524,198</u>	<u>1,729,956</u>
	<b>Annual Rate of depreciation</b>	<u>10-30%</u>	

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
For the 1st Quarter Ended September 30, 2023 (Un-audited)

**10 CERTIFICATE CAPITAL**

**10.1 Authorised certificate capital**

(Un-audited) September 30, 2023	Audited June 30, 2023		(Un-audited) September 30, 2023	Audited June 30, 2023
----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>

**10.2 Issued, subscribed and paid - up certificate capital**

(Un-audited) September 30, 2023	Audited June 30, 2023		(Un-audited) September 30, 2023	Audited June 30, 2023
----Number of certificates----			-----Rupees-----	
20,000,000	20,000,000	Modaraba certificates of Rs. 10 each	200,000,000	200,000,000
10,000,000	10,000,000	fully paid in cash	1,000,000	1,000,000
<u>2,100,000</u>	-	Modaraba Certificates issued as bonus	<u>21,000,000</u>	-
<u>23,100,000</u>	<u>21,000,000</u>		<u>231,000,000</u>	<u>210,000,000</u>

**10.3** As at September 30, 2023, First Al-Noor Modaraba Management (Private) Limited (the Management Company and a related party) held 4,200,000 certificates (June 2022 : 4,200,000 certificates), as required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

**11 STATUTORY RESERVE**

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

During the current period the Modaraba has transferred an amount of Rs. Nil (June 30, 2023: Rs Nil).

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
**For the 1st Quarter Ended September 30, 2023 (Un-audited)**

	(Un-audited) September 30, 2023	Audited June 30, 2023
	-----Rupees-----	
<b>12 DEFICIT ON REVALUATION OF INVESTMENTS - Classified As 'FVTOCI'</b>		
Market value of investments	77,702,465	29,290,862
Less: cost of investments	(79,426,453)	(31,822,334)
Impact of deferred tax	-	316,430
	<u>(1,723,988)</u>	<u>(2,215,042)</u>
Deficit on revaluation at the beginning of the period	(2,215,042)	(4,052,470)
(Deficit)/Surplus transferred to accumulated losses	421,673	1,880,517
Deficit on revaluation during the period	69,381	(43,089)
	<u>491,054</u>	<u>1,837,428</u>
Deficit on revaluation at the end of the period	<u>(1,723,988)</u>	<u>(2,215,042)</u>
<b>13 CONTINGENCIES AND COMMITMENTS</b>		
<b>13.1 Contingencies and Commitments</b>		
There are no commitments as at Sep 30, 2023 (June 30, 2023: NIL)		
	(Un-audited) September 30, 2023	(Un-audited) September 30, 2022
	-----Rupees-----	
<b>14 INCOME/(LOSS) FROM TRADING OPERATIONS</b>		
Sales	97,917,611	-
Cost of sales	(102,553,154)	-
	<u>(4,635,543)</u>	<u>-</u>
<b>15 INCOME FROM INVESTMENTS</b>		
Gain on sale of securities - net	2,067,340	2,087,506
Dividend income - shariah compliant	2,377,217	1,530,912
Gain on sukuk certificates	691,463	287,121
Profit on Islamic Certificates	3,343,840	2,806,768
	<u>8,479,860</u>	<u>6,712,307</u>
<b>16 RELATED PARTY TRANSACTIONS</b>		
The related parties of the Modaraba comprise of its Management Company, associated companies, directors of the Management Company and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel (which are employed by the Management Company) under the terms of their employment are as follows:		

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**  
For the 1st Quarter Ended September 30, 2023 (Un-audited)

	(Un-audited) September 30, 2023	(Un-audited) September 30, 2022
	-----Rupees-----	
<b>17 CASH FROM OPERATIONS AFTER WORKING CAPITAL CHANGES</b>		
<b>Profit / (Loss) Before Taxation</b>	<b>(366,120)</b>	4,236,002
<b>Adjustments for:</b>		
Gain on sale of investments	<b>(2,067,340)</b>	(6,712,307)
Dividend income	<b>(2,377,217)</b>	-
Gain on sukuk certificates	<b>(691,463)</b>	-
Profit on islamic certificates	<b>(3,343,840)</b>	-
Depreciation on:		
Fixed assets	<b>205,758</b>	177,363
Unrealized loss on re-measurement of:		
Equity securities	<b>616,722</b>	1,498,004
Financial and other charges	<b>2,694</b>	176
Provision for management's remuneration	-	552,097
Provision for sindh worker's welfare fund	-	166,436
Provision for WWF adjusted	-	124,391
Provision for deferred tax	<b>1,973,000</b>	3,130,176
Provision for gratuity	<b>156,000</b>	382,150
	<b>(5,525,687)</b>	(681,513)
<b>Operating profit before working capital changes (Increase)/Decrease in current assets</b>	<b>(5,891,807)</b>	3,554,489
Maturity of ijarah Assets	-	6,002
Maturity of ijarah recievables	-	726,628
Diminishing Musharakah reciveable	<b>(9,128,267)</b>	(44,141,638)
Maturity of sukuk investments	-	5,357,128
Profit recievable	<b>905,843</b>	(1,126,952)
Investments- net	<b>20,881,729</b>	23,928,942
Advance, deposits, prepayments and other recievables	<b>(4,542,361)</b>	(452,565)
	<b>8,116,944</b>	(15,702,455)
<b>Increase/(Decrease) in current liabilities</b>		
Creditors, accrued and other liabilities	<b>1,581,947</b>	1,018,167
Provision for gratuity	<b>(576,728)</b>	2,087,634
Maturity of Security deposits	-	(557,400)
Charity payable	<b>11,660</b>	-
	<b>1,016,879</b>	2,548,401
<b>Cash flow from operating activities</b>	<b>3,242,017</b>	(9,599,565)

## **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

### **For the 1st Quarter Ended September 30, 2023 (Un-audited)**

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#### **17. DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were approved and authorized for issue on October 24, 2023 by the Board of Directors of the Management Company.

#### **18. GENERAL**

These Financial Statements have been presented in Pakistani Rupee which is the functional presentation currency of modaraba. These figures have been rounded off to the nearest rupee.

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

sd/-  
Chief Executive Officer

sd/-  
Chief Executive Officer

sd/-  
Director

sd/-  
Director



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**FIRST AL-NOOR MODARABA**

*(An Islamic Financial Institution)*

96-A, Sindh Muslim Cooperative Housing Society, Karachi-74400.

Tel. : 3455 8268, 3455 3067, 3455 2974, 34552943