



AN ISLAMIC FINANCIAL INSTITUTION

FIRST IBL MODARABA QUARTERLY REPORT SEPTEMBER 2023

MISSION STATEMENT

Our mission is to strive for continued excellence in providing quality services to the business community as a whole, with the ultimate goal to increase the value of certificate holders.

VISION STATEMENT

Our vision is to establish First IBL Modaraba as the benchmark reference for all Islamic Financial Institutions for the provision of financial services in line with increasing needs of our esteemed customers and to become the premier financial service organization that provides the highest level of quality service while remaining innovative and responsive to ever-changing customer demands.

CORPORATE STRATEGY

We, First IBL Modaraba, being a multi purposes Modaraba and an Islamic financial institution, are engaged in various Shari'ah compliant products, namely; financing through Ijarah, Murabahah and Musharakah arrangements and investments in Shari'ah compliant securities.

In order to maintain diversified business activities in different sectors of economy, we do not only focus them for Corporate and SMEs Sectors but we also facilitate proprietorship and partnership firms and the individuals in their businesses, which play an effective and important role in the markets.

Keeping in light the present micro and macro economic scenarios in the country, we maintain and apply cautious and well maintained risk management policies in extending the new business rather we target the selective/ quality clientele so as to minimize the risk of default in the repayments.

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Corporate Information

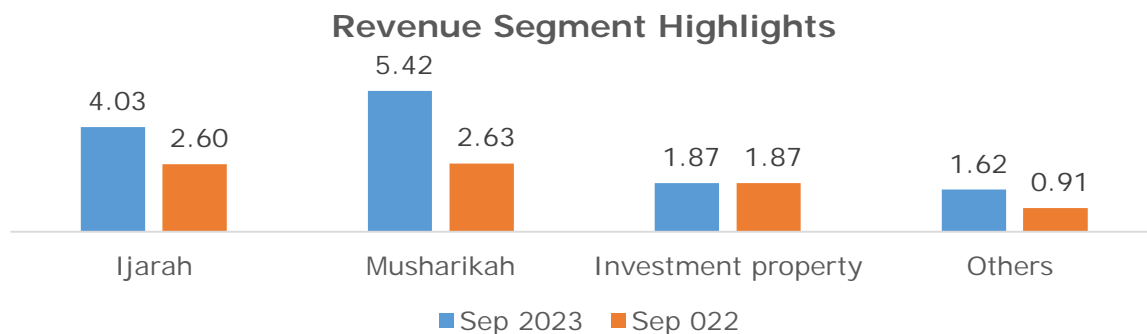
Modaraba Management Company	IBL Modaraba Management (Pvt.) Limited	
Board of Directors	Mr. Arslan Khan Khakwani Mr. Ibrahim Hasan Murad Mr. Salman Ahmad Ms. Faiza Jabeen Mr. Muhammad Ibrahim Qazi	Chairman Director Independent Director Female director Chief Executive
Company Secretary	Mr. Hassan Fareed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

Directors' Report

On behalf of the Board of Directors of IBL Modaraba Management (Pvt.) Ltd, the managing company of First IBL Modaraba (FIBLM), I am delighted to present the Quarterly Report featuring unaudited financial statements for FIBLM, covering the first quarter ending on September 30, 2023.

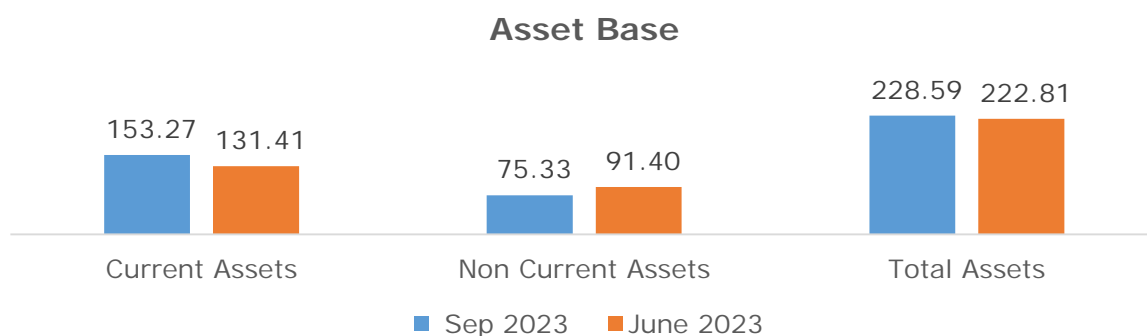
In the face of challenging economic conditions characterized by high inflation rates, reduced purchasing power, restrictions on imports, persistent supply constraints, and an overall challenging economic landscape, I am pleased to report that your Modaraba has achieved a net profit of Rs. 5.203 million for this quarter. This is a notable improvement compared to the profit of Rs. 2.643 million recorded in the previous reporting period.

Segment wise contribution of operating income is as follows:



During the reporting period the management focused on investment of funds in Ijarah and musharikhah segment to generate more handsome return for its valued certificate holders.

Asset base highlights are as follows:



During the first quarter ended September 30, 2023 recoveries were smooth and subsequently invested in income generating segments.

Liability base highlights are as follows:



The foremost priority of our management is centered on micro-financing, with a strategic emphasis on achieving superior rates of return. This approach aims to bolster profitability, ultimately ensuring enhanced returns for our valued certificate holders. We are committed to meticulously crafting financial solutions that not only empower individuals and small businesses but also generate sustainable and rewarding outcomes for our stakeholders.

I wish to convey my sincere appreciation to the Securities & Exchange Commission of Pakistan, Registrar Modarabas, State Bank of Pakistan, and the NBFI & Modaraba Association of Pakistan for their unwavering support and guidance. The board extends its gratitude to the certificate holders and customers for placing their trust in us. We are committed to upholding robust internal controls, delivering personalized services, and fostering a culture of sound corporate governance across all aspects of our operations. Your confidence in us is valued and we are dedicated to maintaining it.

The Board acknowledges and commends the dedication and diligent efforts exerted by the management team of First IBL Modaraba.

For & on behalf of the Board

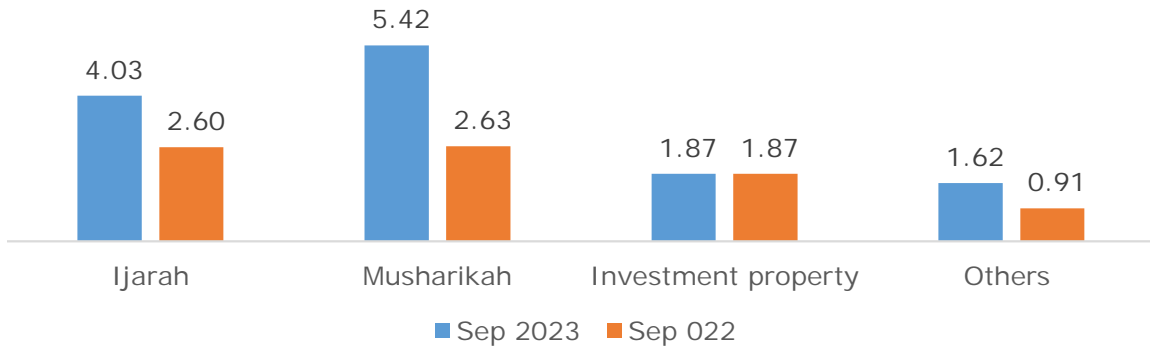

CHIEF EXECUTIVE OFFICER

ڈائریکٹر رپورٹ

بورڈ آف ڈائریکٹر آئی بی ایل مضاربہ مینجمنٹ (پرائیویٹ لمیٹڈ)، جو کہ فرسٹ آئی بی ایل مضاربہ کی مینجمنٹ کمپنی ہے کی پہلی سہ ماہی 30 ستمبر 2023 کے (غیر آڈٹ شدہ) نتائج معہ ڈائریکٹر رپورٹ کو اس کے سرٹیفکیٹ ہولڈرز کے لئے پیش کرنے پر خوشی محسوس کرتا ہے۔

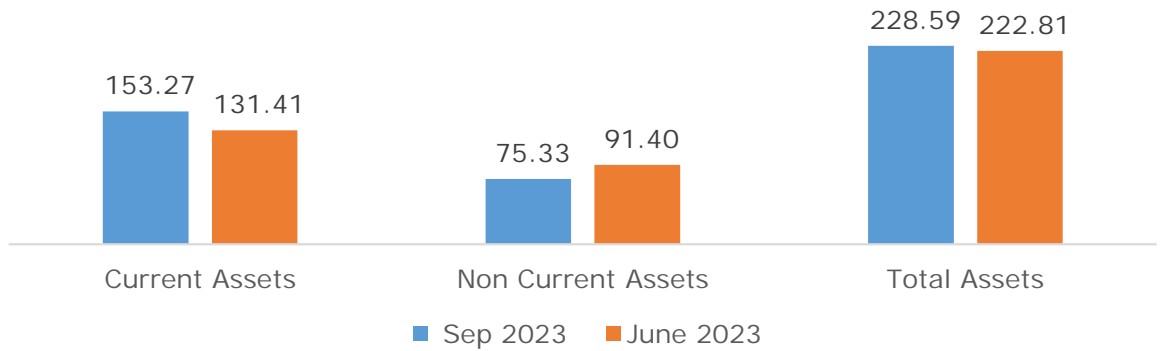
چیلنجنگ معاشی حالات کے پیش نظر جن کی بنیادی وجہ افراط زر کی بلند شرح، قوت خرید میں کمی، درآمدات پر پابندیاں، رسد کی مسلسل رکاوٹیں، اور مجموعی طور پر مشکل معاشی منظر نامہ ہیں، مجھے یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ آپ کے مضاربہ نے اس سہ ماہی کے لئے 5.203 ملین روپے کا خالص منافع حاصل کیا ہے۔ یہ ایک قابل ذکر بہتری ہے۔ گزشتہ رپورٹنگ مدت میں 2.643 ملین روپے کا منافع ریکارڈ کیا گیا تھا۔

آپریٹنگ آمدنی کے طبقہ کی تفصیل درج ذیل ہے۔



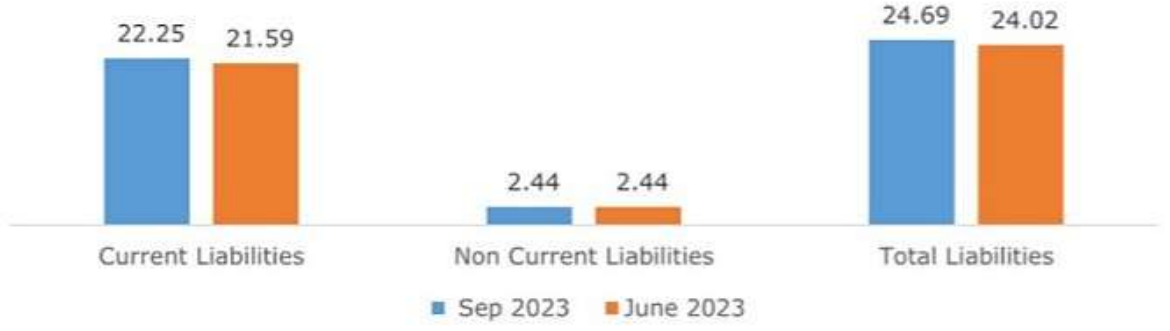
رپورٹنگ مدت کے دوران انتظامیہ نے اپنے قابل قدر سرٹیفکیٹ ہولڈرز کے لیے زیادہ شاندار منافع پیدا کرنے کے لیے اجارہ اور مشارکہ کے طبقے میں فنڈز کی سرمایہ کاری پر توجہ مرکوز کی۔

مضاربہ کے اثاثہ جات کی جھلکیاں درج ذیل ہیں۔



30 ستمبر کو ختم ہونے والی پہلی سہ ماہی کے دوران ریکوری ہموار رہی اور اس کے بعد آمدنی پیدا کرنے والے حصوں میں سرمایہ کاری کی گئی۔

واجب الادا ذمہ داریوں کی بنیادی جھلکیاں درج ذیل ہیں۔



انتظامیہ کی اولین ترجیح مائیکرو فنانسنگ پر مرکوز ہے، جس میں منافع کی اعلیٰ شرح کو حاصل کرنے کی حکمت عملی پر زور دیا گیا ہے۔ اس نقطہ نظر کا مقصد منافع کو بڑھانا ہے، بالآخر ہمارے قابل قدر سرٹیفکیٹ ہولڈرز کے لیے بہتر منافع کو یقینی بنانا ہے۔ ہم محتاط طریقے سے مالی پیچیدگیوں کو حل کرنے کے لیے پر عزم ہیں جو نہ صرف افراد اور چھوٹے کاروباروں کو بااختیار بناتے ہیں بلکہ ہمارے اسٹیک ہولڈرز کے لیے پائیدار اور فائدہ مند نتائج بھی حاصل کرتے ہیں۔

ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، مضاربہ ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، رجسٹرڈ مضاربہ کو ان کی غیر متزلزل حمایت اور رہنمائی کے لیے تہہ دل سے خراج تحسین پیش کرنا چاہتا ہوں۔ بورڈ ہم پر اعتماد کرنے کے لیے سرٹیفکیٹ ہولڈرز اور صارفین کا شکریہ ادا کرتا ہے۔ ہم مضبوط اندرونی کنٹرول کو برقرار رکھنے، ذاتی خدمات کی فراہمی، اور اپنے آپریٹنگز کے تمام پہلوؤں پر کارپوریٹ گورننس کے کلچر کو فروغ دینے کے لیے پر عزم ہیں۔ ہم پر آپ کا اعتماد قابل قدر ہے اور ہم اسے برقرار رکھنے کے لیے وقف ہیں۔

بورڈ فرسٹ آئی بی ایل مضاربہ کی انتظامیہ اور عملہ کی مخلصی اور محنت کو سراہتا ہے۔

منتظم فرسٹ آئی بی ایل مضاربہ،

(۸)

محمد ابراہیم قاضی

چیف ایگزیکٹو آفیسر

26 اکتوبر 2023

FIRST IBL MODARABA

BALANCE SHEET FOR THE QUARTER ENDED SEPTEMBER 30, 2023

		September 30, 2023	June 30, 2023
	Note	Rupees	Rupees
ASSETS			
Current Assets			
Bank balances		23,545,936	82,104,089
Short term investments	3	1,232,902	1,306,793
Ijarah rentals receivable		208,863	224,868
Short term musharikhah receivables		73,553,483	13,553,483
Advances, prepayments and other receivables	4	10,157,005	2,469,641
Advance income tax		2,120,218	1,861,395
Current portion of long term musharikhah receivables		42,447,949	29,890,654
		153,266,356	131,410,923
Non-Current Assets			
Long term musharikhah receivables		12,990,710	25,548,004
Long term advances and deposits		20,500	20,500
Investment property		45,833,515	47,083,522
Fixed assets under ijarah arrangements		16,293,226	18,512,742
Fixed assets under own use		188,749	238,699
		75,326,700	91,403,467
Total Assets		228,593,056	222,814,390
LIABILITIES			
Current Liabilities			
Creditors, accrued and other liabilities	5	6,300,373	5,797,293
Musharika finances		700,000	700,000
Current portion of non-current liabilities		4,417,511	4,253,911
Unpresented profit warrants		10,834,598	10,834,598
		22,252,481	21,585,802
Non-Current Liabilities			
Long term security deposits		2,075,000	2,075,000
Deferred tax liability		361,132	361,132
		2,436,132	2,436,132
Total Liabilities		24,688,613	24,021,934
NET ASSETS		203,904,443	198,792,456
REPRESENTED BY:			
Certificate capital		216,875,000	216,875,000
Reserves		47,395,690	47,395,690
Accumulated loss		(61,610,772)	(66,814,365)
		202,659,918	197,456,325
Unrealized gain on revaluation of investments - Available for sale		1,244,525	1,336,131
		203,904,443	198,792,456
Contingencies and commitments		-	-

The annexed notes form an integral part of these financial statements.

(1) + H. O. a

CHIEF EXECUTIVE OFFICER

III / H. M. a

DIRECTOR

a. i. f. a. s.

DIRECTOR

Z. H. a. s.

CHIEF FINANCIAL OFFICER

FIRST IBL MODARABA
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
	Rupees	Rupees
INCOME FROM OPERATION		
Income from ijarah	4,026,400	2,603,244
Profit on musharaka investments	5,416,483	2,627,335
	9,442,883	5,230,579
OTHER INCOME		
Income from investment property	1,873,860	1,873,860
Profit on deposits	1,597,856	490,985
Other income	17,718	421,558
	3,489,434	2,786,403
Reversal of suspension on ijarah income - net	-	361,142
TOTAL INCOME	<u>12,932,317</u>	<u>8,378,124</u>
EXPENSES		
Operating expenses	(3,834,289)	(3,206,803)
Depreciation on assets under ijarah	(2,964,420)	(2,024,304)
	(6,798,709)	(5,231,107)
Profit before Modaraba Company's management fee	6,133,608	3,147,017
Modaraba Company's management fee	(613,361)	(314,702)
Provision for Worker's Welfare Fund	(122,672)	(62,940)
PROFIT/ (LOSS) BEFORE TAXATION	5,397,575	2,769,375
Taxation		
- Current Period	(193,985)	(125,672)
	(193,985)	(125,672)
NET PROFIT FOR THE QUARTER	<u>5,203,590</u>	<u>2,643,703</u>
Earnings per Modaraba Certificate - Basic and Diluted	<u>0.24</u>	<u>0.12</u>

The annexed notes form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

FIRST IBL MODARABA

STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
	Rupees	Rupees
Net (Loss)/ Profit for the period	5,203,590	2,643,703
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Unrealized loss in value of available for sale investments	(91,606)	(172,327)
Other comprehensive loss for the period	(91,606)	(172,327)
Total Comprehensive Income/ (Loss) for the period	<u>5,111,984</u>	<u>2,471,376</u>

The annexed notes form an integral part of these financial statements.

(A) + M. D. Q.

CHIEF EXECUTIVE OFFICER

THH

DIRECTOR

air

DIRECTOR

Z. D. Q.

CHIEF FINANCIAL OFFICER

FIRST IBL MODARABA

CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Note	September 30, 2023	September 30, 2022
		Rupees	Rupees
(Loss)/ Profit for the period		5,203,590	2,643,703
Adjustment for:			
- Depreciation on fixed assets under own use		49,950	107,146
- Depreciation on investment property		1,250,007	1,250,007
- Depreciation on fixed assets under ijarah arrangements		2,964,420	2,024,304
- Provision/ (Reversal) of musharaka profit held in suspense account		-	(361,142)
- Revaluation loss/ (gain) on investment at fair value through profit or loss		-	(22,291)
- Gain on termination of ijarah arrangements		(4)	(255,190)
- Gain on disposal of fixed assets		-	(143,345)
- Profit on term deposit receipts and bank deposits		(1,597,856)	(490,985)
		<u>2,666,517</u>	<u>2,108,504</u>
Operating profit before working capital changes		7,870,107	4,752,207
Decrease / (Increase) in assets:			
- Advances, prepayments and other receivables		(7,687,364)	(452,520)
- Ijarah rentals receivable		16,005	1,194,345
- Short term Musharaka		(60,000,000)	10,673,292
Increase/ (Decrease) in operating liabilities:			
- Creditors, accrued and other liabilities		503,080	358,028
		<u>(67,168,280)</u>	<u>11,773,145</u>
Cash generated from/ (used in) operations		<u>(59,298,172)</u>	<u>16,525,352</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from/ (used in) operations		(59,298,172)	16,525,352
Increase in non current assets			
Purchase of fixed assets under ijarah arrangements		(611,113)	(796,300)
Proceeds from disposal of fixed assets under ijarah		-	3,130,332
Income taxes paid		(258,823)	(48,663)
Net Cash generated from Operating Activities		<u>(869,936)</u>	<u>2,285,369</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Profit on term deposit receipts and bank deposits		1,597,856	490,985
Proceeds from disposal of fixed assets under own use		-	441,213
Receipt of customer security deposit		12,100	(52,358)
Net Cash (used in) / generated from Investing Activities		<u>1,609,956</u>	<u>879,840</u>
Net Cash used in Financing Activities		-	-
Net (Decrease) / Increase in Cash and Cash Equivalents		<u>(58,558,153)</u>	<u>19,690,561</u>
Cash and cash equivalents at the beginning of the period		82,104,089	13,599,668
Cash and Cash Equivalents at the End of the period		<u>23,545,938</u>	<u>33,290,229</u>

The annexed notes form an integral part of these financial statements.

(1) + H O a
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

FIRST IBL MODARABA

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

Particulars	Certificate Capital	Reserves		Total Equity
		Capital		
		Statutory reserve	Accumulated loss	
Rupees				
Balance as at June 30, 2022	216,875,000	45,394,252	(74,820,117)	187,449,135
Comprehensive income for the year				
Net profit for the year	-	-	10,007,190	10,007,190
Other comprehensive loss for the year	-	-	-	-
Total comprehensive income for the year	-	-	10,007,190	10,007,190
Transferred to statutory reserve	-	2,001,438	(2,001,438)	-
Balance as at June 30, 2023	216,875,000	47,395,690	(66,814,365)	197,456,325
Comprehensive income for the period				
Net profit for the period	-	-	5,203,590	5,203,590
Total comprehensive income for the period	-	-	5,203,590	5,203,590
Balance as at September 30, 2023	216,875,000	47,395,690	(61,610,778)	202,659,915

The annexed notes form an integral part of these financial statements.


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR


 CHIEF FINANCIAL OFFICER

First IBL Modaraba
Notes to the account (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

Note 1

The accounting policies adopted for the preparation of these financial statements are consistent with those applied for the preparation of preceding annual publishing accounts.

Note 2

These unaudited financial statements have been prepared and circulated under the directives of Securities and Exchange Commission of Pakistan.

Note 3	September 30,	June 30,
Short Term Investments	2023	2023
	Note	
Investments in listed equity securities are classified as:		
- Available for sale	4.1 1,029,905	1,121,511
- At fair value through profit or loss	4.2 202,997	185,282
	<u>1,232,902</u>	<u>1,306,793</u>

3.1 Available for sale

September 2018	June 2018	Name of entity
No. of shares/ Certificates		
Holdings are in ordinary certificates / shares of Rupees 10 each.		
29,267	29,267	The Searle Company Limited
<u>29,267</u>	<u>29,267</u>	

1,029,905	1,121,511
<u>1,029,905</u>	<u>1,121,511</u>

3.2 At fair value through profit or loss

		Name of entity
No. of shares/ Certificates		
Holdings are in ordinary certificates / shares of Rupees 10 each.		
250	250	Attock Refinery Limited
288	288	IBL Healthcare Limited
100,000	100,000	First Punjab Modaraba
<u>100,538</u>	<u>100,538</u>	

63,636	42,907
6,375	9,375
132,986	133,000
<u>202,997</u>	<u>185,282</u>

3.3 This represent investment in term deposit receipts and carried profit at the average profit rate of 5% to 6% per annum.

Note 4

Advances, Prepayments and Other Receivables	September 30,	June 30,
	2023	2023
	"Rupees"	
Advance to employees (Unsecured - Considered good)	170,000	174,405
Prepayments	661,136	154,455
	831,136	328,860
Accrued profit:		
- Profit receivable on musharaka receivables	8,495,688	3,079,206
- Less: Profit held in suspense account	(1,607,947)	(1,607,947)
	6,887,741	1,471,259
Profit receivable on saving account	362,083	467,337
Dividend receivable	919	919
Other receivables	2,075,126	201,266
	<u>10,157,005</u>	<u>2,469,641</u>

Note 5

Creditors, accrued and other liabilities	September 30,	June 30,
	2023	2023
Accrued Expenses	307,575	373,573
Payable to the Modaraba Management Company	2,146,876	1,533,515
Workers Welfare Fund Payable	571,548	448,876
Income Tax payable	3,136,367	2,942,382
Other liabilities	138,007	498,947
	<u>6,300,373</u>	<u>5,797,293</u>

First IBL Modaraba
Notes to the account (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

Note 6
Related Party Transactions

6.1 Related parties comprise Management Company, major certificate holders of the Modaraba and their close family members, directors of the management company and their close family members, key management personnel of the management company and their close family members and entities with common directors or under common management.

6.2 Details of transactions with related parties and balances outstanding with them at the quarter ended are as follows:

Transactions during the year

Related party	Relationship	Nature of Transaction	September 30, 2023	June 30, 2023
			Rupees	Rupees
IBL Modaraba Management (Private)	Management Company	Management fee accrued during the year/ quarter	613,361	1,533,515
		Management fee paid during the year/ quarter	-	339,994
University of Management & Technology	Holds 14.16% of the paid up certificates of Modaraba	Rent of library building accrued	1,873,860	7,495,440
		Rent of library building received	-	8,744,680
Provident Fund	Associated Undertaking	Provident fund paid during the period/ year	58,068	232,272

Outstanding Balance at the quarter end

Payable to the Modaraba Management Company (2,146,876) (1,533,515)

Transactions with related parties, except the management fee payable to the management company, are carried at an arm's length in the normal course of business.

Note 7
Date of authorization for issue

The financial statement were authorized for issue on October 26, 2023 by the Board of Directors of IBL Modaraba Management (Pvt.) Limited.

Note 8
General

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of comparison.

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CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER