

FIRST PARAMOUNT MODARABA

(An Islamic Financial Institution)
Managed by: Paramount Investments Limited

September 30, 2023

QUARTERLY REPORT

For Long Term 'BBB', For Short Term A-3
Out Look - Stable
VIS Credit Rating Company



First Paramount Modaraba
(An Islamic Financial Institution)

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Mission & Vision

1. It is our firm commitment to operate the Modaraba activities in accordance with Islamic Sharia with Its true spirit.
2. To employ the Modaraba funds in best possible way and to promote the human talents, to maximize the profit for certificate holders.
3. It is our mission to constantly endeavour for excellence in all spheres of business activity, maintain its eminent market position, promote lasting relationship with our customers and other stakeholders, and construct a durable and vibrant Pakistan.



STATEMENT OF ETHICS AND BUSINESS PRACTICES

We believe a complete code of ethics is a prerequisite for all Directors and employees of Frist Paramount Modaraba. We endeavour to the philosophy behind the code of ethics to carry out honestly activities assigned to them. Our aim is to have highest standard of excellence for the product and the betterment for all those involved directly or indirectly with our Modaraba.



First Paramount Modaraba
(An Islamic Financial Institution)

CORPORATE INFORMATION
FIRST PARAMOUNT MODARABA
MANAGED BY: PARAMOUNT INVESTMENTS LIMITED

BOARD OF DIRECTORS

Mr. Tanveer Ahmed Magoon	Chairman
Mr. Syed Wajih Hasan	Chief Executive Officer
Mr. Nadeem Iqbal	Director
Mr. Pir Muhammad Kalia	Director
Mr. Abrar Ahmed	Director
Mr. Habib Ahmed Navaid	Independent Director
Mr. Humayun Mazhar Qureshi	Independent Director

AUDIT COMMITTEE

Mr. Habib Ahmed Navaid	Chairman
Mr. Pir Muhammad Kalia	Member
Mr. Nadeem Iqbal	Member

HUMAN RESOURCE COMMITTEE

Mr. Humayun Mazhar Qureshi	Chairman
Mr. Tanveer Ahmed Magoon	Member
Mr. Nadeem Iqbal	Member
Mr. Syed Wajih Hasan	Member

CHIEF FINANCIAL OFFICER / COMPANY SECRETARY

Mr. Muhammad Ifham Khan

SHARIAH ADVISOR

Mufti Muhammad Farhan Farooq

SHARIAH CONSULTANT

Mufti Muhammad Najeeb Khan

CREDIT RATING

Long term **BBB** Short Term **A-3**

Out Look **Stable**

By **VIS Credit Rating Company**

AUDITORS OF THE MODARABA

M/s Riaz Ahmed & Co
Chartered Accountants

AUDITORS OF THE MODARABA MANAGEMENT COMPANY

M/s Hafizullah & Co.
Chartered Accountants

LEGAL ADVISOR

M/s Raja Qasit Nawaz, Advocates



First Paramount Modaraba
(An Islamic Financial Institution)

BANKERS

Meezan Bank Limited
Bank Islami Pakistan Limited
Al Baraka Bank (Pakistan) Limited
Habib Metropolitan Bank Limited -Islamic Banking
Habib Bank Limited
Faysal Bank Limited

REGISTERED OFFICE

Suit # 107, 108, 1st Floor, P.E.C.H.S. Community Office Complex,
Block-2 PECHS, Shahrah-e-Quaiden, Karachi.
Phone: 34381037-38-52 & 34381101. Fax: 34534410
E-mail: info@fpm.com.pk
Web: www.fpm.com.pk

SHARE REGISTRAR

THK ASSOCIATES (PVT) LTD.
Plot no. 32-C, Jami Commercial
Street 2, D.H.A Phase VII,
Karachi, 75500 Pakistan
Tel: 111-000-322 Fax: 34168271
Web: www.thk.com.pk
Email: sfc@thk.com.pk

DIRECTORS REPORT TO THE CERTIFICATE-HOLDERS OF FIRST PARAMOUNT MODARABA

The Directors of Paramount Investment Limited, Management Company of First Paramount Modaraba, are pleased to present the unaudited standalone and consolidated financial statements for the three months period that ended on 30th September 2023.

Modaraba has posted a pre-tax profit of Rs. 14,639,794 for the quarter, as compared to pre-tax profit of Rs. 1,969,135 for the same period last year (an increase of 643%). The after-tax profits for the period stood at Rs. 10,394,254, recording an increase of Rs. 8,996,168 from the corresponding period last year. Earnings per certificate for the period is Rs. 0.75 while it was at Rs. 0.10 per certificate in the same period last year.

Outstanding results for the quarter are attributable to extraordinary performance of Modaraba's in-house venture, "FPM Petro Services". Introduction of new products offering better margins and attainment of high sales volume is translated in healthy bottom line results. We expect this momentum to continue to the next quarters.

Modaraba's newly established subsidiary, "Paramount Compliance (Private) Limited", is now operative. Management is contemplating for scaling up the commercial operations in both local and international markets. We expect that Modaraba through its subsidiary will attain substantial returns in the next six to nine months.

Modaraba is committed to fully comply with the "New Modaraba Regulations", especially for the requirements relating to enhancement in Equity and Credit Rating.

Acknowledgements:

Management of the Modaraba and the Board of Directors recognizes the continued patronage and cooperation of the regulators, especially of the offices of Registrar Modaraba, Securities and Exchange Commission of Pakistan, and the State Bank of Pakistan.

Management also appreciates hard-work and dedication of the staff members of Modaraba.

For and on behalf of the Board of Directors of
Paramount Investments Limited (PIL)
Managers of First Paramount Modaraba

Karachi
Date: 26 October 2023

S/d
Syed Wajih Hassan
Chief Executive Officer

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2023**

		Un-audited Sept 30' 2023 Rupees	Audited June 30' 2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	3	11,893,712	12,365,684
Murabaha financing	4	40,527,018	41,453,148
Diminishing musharaka financing	6	328,398	400,827
Musharaka financing		12,000,000	12,000,000
Loan to employees		541,479	577,501
Long-term deposits		264,500	264,500
		<u>65,555,107</u>	<u>67,061,660</u>
CURRENT ASSETS			
Stock in trade		33,061,845	37,779,122
Trade debtors	8.2	179,413,929	91,409,541
Advances, prepayments and other receivables		37,953,283	36,440,620
Modaraba financing		1,822,314	1,822,314
Short-term murabaha financing	5	7,837,492	15,622,491
Current portion of murabaha financing	4	57,042,341	58,345,881
Current portion of diminishing musharaka financing	6	231,810	282,937
Current portion of musharaka financing		13,949,054	16,949,054
Current portion of loans to employees		180,024	192,000
Short-term deposit		3,900,000	3,950,000
Accrued profit		1,560,840	2,494,612
Short Term Investment		21,710,527	20,776,415
Tax refunds due from Government		57,855,354	53,062,929
Receivable against sale of Al-Burq		1,221,554	1,221,554
Cash and bank balances		24,670,548	46,413,056
		<u>442,410,915</u>	<u>386,762,526</u>
TOTAL ASSETS		<u>507,966,022</u>	<u>453,824,186</u>
EQUITY AND LIABILITIES			
CERTIFICATE CAPITAL AND RESERVES			
Authorised certificate capital		250,000,000	250,000,000
25,000,000 certificates of Rupees 10 each			
Issued, subscribed and paid-up certificate capital		137,884,193	137,884,193
Capital reserves		71,569,963	61,175,709
Revenue reserves		22,392,468	22,392,468
		<u>231,846,623</u>	<u>221,452,370</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income		8,880,539	8,520,320
Certificates of musharaka	7	129,715,000	138,190,000
		<u>138,595,539</u>	<u>146,710,320</u>
CURRENT LIABILITIES			
Creditors, accrued and other liabilities		65,363,987	9,098,069
Current portion of deferred income		10,458,599	10,399,178
Current portion of certificates of musharaka	7	29,310,000	29,310,000
COM matured parties		5,050,000	9,850,000
Accrued profit on certificates of musharaka		3,817,416	3,613,638
Unclaimed profit distributions		19,137,473	19,234,855
Provision for Taxation		4,386,385	4,155,756
		<u>137,523,860</u>	<u>85,661,496</u>
TOTAL LIABILITIES		<u>276,119,399</u>	<u>232,371,816</u>
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES		<u>507,966,022</u>	<u>453,824,186</u>

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

		Three months ended	
	Note	30 September 2023 Rupees	30 September 2022 Rupees
		----- (Rupees) -----	
Operating income	8	159,589,015	50,705,277
Operating cost			
Operating expenses		(139,356,162)	(45,507,456)
		(139,356,162)	(45,507,456)
		20,232,853	5,197,821
Other income		2,049,838	1,507,748
Financial charges		(5,684,285)	(4,472,990)
		16,598,406	2,232,579
Modaraba Company's management fee		(1,659,841)	(223,258)
		14,938,565	2,009,321
Provision for Sindh Workers' Welfare Fund		(298,771)	(40,186)
Profit before taxation		14,639,794	1,969,135
Taxation		(4,245,540)	(571,049)
Profit after taxation		10,394,254	1,398,086
Earnings per certificate - basic and diluted		0.75	0.10

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**FIRST PARAMOUNT MODARABA
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Three months ended	
	30 September 2023	30 September 2022
	Rupees	Rupees
Profit after taxation	10,394,254	1,398,086
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account	-	-
Other comprehensive income for the Period	-	-
Total comprehensive income for the Period	10,394,254	1,398,086

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
 (Management Company)

 Chief Financial Officer

 Chief Executive Officer

 Director

 Director

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	30 September 2023	30 September 2022
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,639,794	1,969,135
Adjustments for non-cash items:		
Depreciation and amortization	544,970	610,623
Provision for Sindh Workers' Welfare Fund	298,771	40,186
Financial charges	5,684,285	4,472,990
Provision for provision / Provision for doubtful recoveries	-	571,049
	<u>6,528,026</u>	<u>5,694,848</u>
Operating profit before working capital changes	<u>21,167,820</u>	<u>7,663,983</u>
(Increase) / decrease in current assets		
Murabaha financing - net	10,014,669	22,252,994
Diminishing Musharaka financing - net	123,556	1,422,850
Musharaka financing - net	3,000,000	5,000,000
Loans to employees	47,998	76,000
Stores and spares	4,717,277	(27,191,701)
Trade debtors - net	(88,004,388)	21,479,719
Advances, prepayments and other receivables	(2,446,773)	(8,303,828)
Short-term deposit	50,000	-
Taxation	-	(571,049)
Accrued profit	933,772	(543,115)
(Decrease) / increase in current liabilities		
Deferred income	419,640	(4,987,759)
Creditors, accrued and other liabilities	51,167,147	8,877,840
Net cash generated from operations	<u>1,190,718</u>	<u>25,175,934</u>
Financial charges paid	(8,860)	(23,903)
Tax (paid) / refunded - net	(8,807,337)	(6,725,410)
Net cash generated from operating activities	<u>(7,625,479)</u>	<u>18,426,621</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(73,000)	(811,320)
Sale proceed on disposals of fixed assets	-	-
Addition / deletion in capital work-in progress	-	-
Net cash (used in)	<u>(73,000)</u>	<u>(811,320)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Certificate of Musharaka - issuance	5,275,000	11,850,000
Certificate of Musharaka - redemptions	(13,750,000)	(9,650,000)
Profit paid to certificates of Musharaka (COM) holder	(5,471,647)	(4,269,484)
Profit distributed to Certificate holders	(97,382)	-
Net cash used in financing activities	<u>(14,044,029)</u>	<u>(2,069,484)</u>
Net increase in cash and cash equivalents	<u>(21,742,508)</u>	<u>15,545,817</u>
Cash and cash equivalents at beginning of the year	46,413,056	78,990,927
Cash and cash equivalents at end of the Period	<u>24,670,548</u>	<u>94,536,743</u>

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Issued, subscribed and paid up certificate capital Rupees	Reserves			Total Rupees
		Capital		Revenue Unappropriated profit Rupees	
		Merger reserve Rupees	Statutory reserve Rupees		
Balance as at 01 July 2022	137,884,193	1,935,160	52,700,425	22,392,468	214,912,246
Total comprehensive income:					
Profit after taxation	-	-	-	1,398,086	1,398,086
Other comprehensive income	-	-	-	1,398,086	1,398,086
Transferred to statutory reserve @ 100%	-	-	1,398,086	(1,398,086)	-
Balance as at 30 September 2022	137,884,193	1,935,160	54,098,511	22,392,468	216,310,332

Balance as at 01 July 2023	137,884,193	1,935,160	59,240,549	22,392,468	221,452,370
Total comprehensive income:					
Profit after taxation	-	-	-	10,394,254	10,394,254
Other comprehensive income	-	-	-	10,394,254	10,394,254
Transferred to statutory reserve @ 100%	-	-	10,394,254	(10,394,254)	(0.3300)
Balance as at 30 September 2023	137,884,193	1,935,160	69,634,803	22,392,468	231,846,623

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

1. LEGAL STATUS AND OPERATIONS

First Paramount Modaraba (the Modaraba) is a multi purpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed there under and is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) on June 26, 1994.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at Suite #107-109, 1st Floor, P.E.C.H.S. Community Office Complex, Block-2. P.E.C.H.S. Shahrah-e-Quaideen, Karachi.

Modaraba's principal activities include deployment of funds on murabaha, modaraba and musharaka arrangements and its in-house ventures are (a) Electrical maintenance and troubleshooting services' under the name of "FPM Solutions" (b) Chemical business under the name of "FPM Petro Services" (c) Engineering products and solutions to upstream service companies under the name of "FPM Geo Dynamics International". (d) Consulting business under the name of "FPM Consulting".

A wholly owned subsidiary, Paramount Compliance (Private) Limited has been incorporated on 24 August 2023 to scale up the areas of operation of AML CFT related business. The registered office of the subsidiary is situated at Suite #107-109, 1st Floor, P.E.C.H.S. Community Office Complex, Block-2. P.E.C.H.S. Shahrah-e-Quaideen, Karachi. No business activity has been carried out by the subsidiary since its incorporation.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements of the Modaraba for the three months period ended September 30, 2023 are unaudited and being submitted to the certificate holders as required under Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting", Companies Act 2017, 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).

The unconsolidated condensed 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, 2023.

2.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Modaraba's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, except otherwise stated.

2.3 Significant accounting policies, estimates and judgments

The accounting policies and methods of computation followed for the preparation of these unconsolidated condensed interim financial statements are same as those applied in preparing the financial statements for the year ended June 30, 2023.

The preparation of unconsolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2023.

3. FIXED ASSETS

	Sep 30, 2023	June 30, 2023
	----- (Rupees) -----	
Tangible	11,621,599	12,071,508
Intangible	272,113	294,176
	<u>11,893,712</u>	<u>12,365,684</u>

3.1 ADDITIONS & DISPOSALS MADE DURING THE PERIOD

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Additions during the period		
Computers	73,000	369,400
Office and other equipments	-	1,086,313
Furnitures and fixtures	-	1,191,626
Vehicles	-	70,320
	<u>73,000</u>	<u>2,717,659</u>

4. MURABAHA FINANCING - secured

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Considered good	97,569,359	99,799,029
Considered doubtful	2,388,324	2,388,324
	<u>99,957,683</u>	102,187,353
Provision for doubtful recoveries	(2,388,324)	(2,388,324)
	<u>97,569,359</u>	99,799,029
Current portion of long-term murabaha financing	(57,042,341)	(58,345,881)
	<u>40,527,018</u>	<u>41,453,148</u>

5. SHORT-TERM MURABAHA RECEIVABLES - secured

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Considered good	7,837,492	13,775,122
Considered doubtful	-	1,847,369
	<u>7,837,492</u>	15,622,491
Provision for doubtful recoveries	-	-
	<u>7,837,492</u>	<u>15,622,491</u>

**6. DIMINISHING MUSHARAKA
FINANCING - secured**

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Considered good	560,208	683,764
Current portion of long-term diminishing musharaka financing	(231,810)	(282,937)
	<u>328,398</u>	<u>400,827</u>

7. CERTIFICATES OF MUSHARAKA

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Opening balance	167,500,000	177,500,000
Issuance	5,275,000	23,275,000
Redemptions	(13,750,000)	(33,275,000)
	<u>159,025,000</u>	167,500,000
Less: Current portion certificates of musharaka	(29,310,000)	(29,310,000)
	<u>129,715,000</u>	<u>138,190,000</u>

	(Un-audited)	(Un-audited)
	30 SEPT 2023	30 SEPT 2022
	----- (Rupees) -----	
8. OPERATING INCOME		
Profit on murabaha receivables	3,422,756	4,987,759
Profit on diminishing musharaka	36,450	103,937
Profit on musharaka projects	600,000	450,000
Income from FPM Solutions	2,620,714	4,631,042
Income from FPM Petro Income	8.1 <u>152,909,095</u>	<u>40,532,539</u>
	<u>159,589,015</u>	<u>50,705,277</u>

8.1 This represents income generated from chemical business of FPM Petro Services. The Modaraba's share of income is 55%.

8.2 Trade receivables under FPM Petro Services as at the period end is Rupees 177.49 million (2022: 91.01)

9. CONTINGENCIES

The current status of contingencies is same as disclosed in the annual audited financial statements for the Year ended June 30, 2023

10. GENERAL

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.

Figures have been rounded off to the nearest rupee.

11. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 26 October 2023.

 Chief Financial Officer

 Chief Executive Officer

 Director

 Director

**FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2023**

		Un-audited Sept 30' 2023 Rupees	Audited June 30' 2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	3	11,893,712	12,365,684
Murabaha financing	4	40,527,018	41,453,148
Diminishing musharaka financing	6	328,398	400,827
Musharaka financing		12,000,000	12,000,000
Loan to employees		541,479	577,501
Long-term deposits		264,500	264,500
		65,555,107	67,061,660
CURRENT ASSETS			
Stock in trade		33,061,845	37,779,122
Trade debtors	8.2	179,413,929	91,409,541
Advances, prepayments and other receivables		37,949,837	36,440,620
Modaraba financing		1,822,314	1,822,314
Short-term murabaha financing	5	7,837,492	15,622,491
Current portion of murabaha financing	4	57,042,341	58,345,881
Current portion of diminishing musharaka financing	6	231,810	282,937
Current portion of musharaka financing		13,949,054	16,949,054
Current portion of loans to employees		180,024	192,000
Short-term deposit		3,900,000	3,950,000
Accrued profit		1,560,840	2,494,612
Short Term Investment		21,710,527	20,776,415
Tax refunds due from Government		57,855,303	53,062,929
Receivable against sale of Al-Burq		1,221,554	1,221,554
Cash and bank balances		24,670,548	46,413,056
		442,407,418	386,762,526
TOTAL ASSETS		507,962,525	453,824,186
EQUITY AND LIABILITIES			
CERTIFICATE CAPITAL AND RESERVES			
Authorised certificate capital		250,000,000	250,000,000
25,000,000 certificates of Rupees 10 each			
Issued, subscribed and paid-up certificate capital		137,884,193	137,884,193
Capital reserves		71,567,531	61,175,709
Revenue reserves		22,392,468	22,392,468
		231,844,192	221,452,370
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income		8,880,539	8,520,320
Certificates of musharaka	7	129,715,000	138,190,000
		138,595,539	146,710,320
CURRENT LIABILITIES			
Creditors, accrued and other liabilities		65,363,914	9,098,069
Current portion of deferred income		10,458,599	10,399,178
Current portion of certificates of musharaka	7	29,310,000	29,310,000
COM matured parties		5,050,000	9,850,000
Accrued profit on certificates of musharaka		3,817,416	3,613,638
Unclaimed profit distributions		19,137,473	19,234,855
Provision for Taxation		4,385,392	4,155,756
		137,522,794	85,661,496
TOTAL LIABILITIES		276,118,333	232,371,816
CONTINGENCIES AND COMMITMENTS		-	-
TOTAL EQUITY AND LIABILITIES		507,962,525	453,824,186

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
 CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Three months ended	
		30 September 2023	30 September 2022
		Rupees	Rupees
		----- (Rupees) -----	----- (Rupees) -----
Operating income	8	159,589,015	50,705,277
Operating cost			
Operating expenses		(139,360,047)	(45,507,456)
		<u>(139,360,047)</u>	<u>(45,507,456)</u>
		20,228,968	5,197,821
Other income		2,049,838	1,507,748
Financial charges		(5,684,285)	(4,472,990)
		<u>16,594,521</u>	<u>2,232,579</u>
Modaraba Company's management fee		(1,659,452)	(223,258)
		<u>14,935,069</u>	<u>2,009,321</u>
Provision for Sindh Workers' Welfare Fund		(298,701)	(40,186)
Profit before taxation		14,636,368	1,969,135
Taxation		(4,244,547)	(571,049)
Profit after taxation		10,391,821	1,398,086
Earnings per certificate - basic and diluted		0.75	0.10

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
 (Management Company)

 Chief Financial Officer

 Chief Executive Officer

 Director

 Director

**FIRST PARAMOUNT MODARABA
 CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Three months ended	
	30 September 2023	30 September 2022
	Rupees	Rupees
Profit after taxation	10,391,821	1,398,086
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account	-	-
Other comprehensive income for the Period	-	-
Total comprehensive income for the Period	10,391,821	1,398,086

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
 (Management Company)

 Chief Financial Officer

 Chief Executive Officer

 Director

 Director

**FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	30 September 2023	30 September 2022
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,636,368	1,969,135
Adjustments for non-cash items:		
Depreciation and amortization	544,970	610,623
Provision for Sindh Workers' Welfare Fund	298,701	40,186
Financial charges	5,684,285	4,472,990
Provision for Taxation	-	571,049
	<u>6,527,956</u>	<u>5,694,848</u>
Operating profit before working capital changes	21,164,324	7,663,983
(Increase) / decrease in current assets		
Murabaha financing - net	10,014,669	22,252,994
Diminishing Musharaka financing - net	123,556	1,422,850
Musharaka financing - net	3,000,000	5,000,000
Loans to employees	47,998	76,000
Stores and spares	4,717,277	(27,191,701)
Trade debtors - net	(88,004,388)	21,479,719
Advances, prepayments and other receivables	(2,443,327)	(8,303,828)
Short-term deposit	50,000	-
Taxation	-	(571,049)
Accrued profit	933,772	(543,115)
(Decrease) / increase in current liabilities		
Deferred income	419,640	(4,987,759)
Creditors, accrued and other liabilities	51,167,144	8,877,840
Net cash generated from operations	<u>1,190,665</u>	<u>25,175,934</u>
Financial charges paid	(8,860)	(23,903)
Tax (paid) / refunded - net	(8,807,284)	(6,725,410)
Net cash generated from operating activities	<u>(7,625,479)</u>	<u>18,426,621</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(73,000)	(811,320)
Sale proceed on disposals of fixed assets		
Addition / deletion in capital work-in progress		
Net cash (used in)	<u>(73,000)</u>	<u>(811,320)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Certificate of Musharaka - issuance	5,275,000	11,850,000
Certificate of Musharaka - redemptions	(13,750,000)	(9,650,000)
Profit paid to certificates of Musharaka (COM) holder	(5,471,647)	(4,269,484)
Profit distributed to Certificate holders	(97,382)	-
Net cash used in financing activities	<u>(14,044,029)</u>	<u>(2,069,484)</u>
Net increase in cash and cash equivalents	<u>(21,742,508)</u>	<u>15,545,817</u>
Cash and cash equivalents at beginning of the year	46,413,056	78,990,927
Cash and cash equivalents at end of the Period	<u>24,670,548</u>	<u>94,536,743</u>

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Reserves				Total
	Capital		Revenue		
	Merger reserve	Statutory reserve	Unappropriated profit		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Issued, subscribed and paid up certificate capital	137,884,193	52,700,425	54,635,585	22,392,468	214,912,246
	1,935,160				
Balance as at 01 July 2022	137,884,193	52,700,425	54,635,585	22,392,468	214,912,246
Total comprehensive income:					
Profit after taxation	-	-	-	1,398,086	1,398,086
Other comprehensive income	-	-	-	-	-
	-	-	-	1,398,086	1,398,086
Transferred to statutory reserve @ 100%	-	1,398,086	1,398,086	(1,398,086)	-
Balance as at 30 September 2022	137,884,193	54,098,511	56,033,671	22,392,468	216,310,332

Balance as at 01 July 2023	137,884,193	59,240,549	61,175,709	22,392,468	221,452,370
Total comprehensive income:					
Profit after taxation	-	-	-	10,391,821	10,391,821
Other comprehensive income	-	-	-	-	-
	-	-	-	10,391,821	10,391,821
Transferred to statutory reserve @ 100%	-	10,391,822	10,391,822	(10,391,821)	0,6700
Balance as at 30 September 2023	137,884,193	69,632,371	71,567,531	22,392,468	231,844,192

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

1. LEGAL STATUS AND OPERATIONS
Holding Company

First Paramount Modaraba (the Modaraba) is a multi purpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed there under and is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) on June 26, 1994.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at Suite #107-109, 1st Floor, P.E.C.H.S. Community Office Complex, Block-2. P.E.C.H.S. Shahrah-e-Quaideen, Karachi.

Modaraba's principal activities include deployment of funds on murabaha, modaraba and musharaka arrangements and its in-house ventures are (a) Electrical maintenance and troubleshooting services' under the name of "FPM Solutions" (b) Chemical business under the name of "FPM Petro Services" (c) Engineering products and solutions to upstream service companies under the name of "FPM Geo Dynamics International". (d) Consulting business under the name of "FPM Consulting".

Subsidiary Company

A wholly owned subsidiary, Paramount Compliance (Private) Limited has been incorporated on 24 August 2023 to scale up the areas of operation of AML CFT related business. The registered office of the subsidiary is situated at Suite #107-109, 1st Floor, P.E.C.H.S. Community Office Complex, Block-2. P.E.C.H.S. Shahrah-e-Quaideen, Karachi. No business activity has been carried out by the subsidiary since its incorporation

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated condensed interim financial statements of the Modaraba for the three months period ended September 30, 2023 are unaudited and being submitted to the certificate holders as required under Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting", Companies Act 2017, 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).

The consolidated condensed 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, 2023.

2.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Modaraba's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, except otherwise stated.

2.3 Significant accounting policies, estimates and judgments

The accounting policies and methods of computation followed for the preparation of these consolidated condensed interim financial statements are same as those applied in preparing the financial statements for the year ended June 30, 2023.

The preparation of consolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2023.

3. FIXED ASSETS

	Sep 30, 2023	June 30, 2023
	----- (Rupees) -----	
Tangible	11,621,599	12,071,508
Intangible	272,113	294,176
	<u>11,893,712</u>	<u>12,365,684</u>

3.1 ADDITIONS & DISPOSALS MADE DURING THE PERIOD

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Additions during the period		
Computers	73,000	369,400
Office and other equipments	-	1,086,313
Furnitures and fixtures	-	1,191,626
Vehicles	-	70,320
	<u>73,000</u>	<u>2,717,659</u>

4. MURABAHA FINANCING - secured

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Considered good	97,569,359	99,799,029
Considered doubtful	<u>2,388,324</u>	2,388,324
	99,957,683	102,187,353
Provision for doubtful recoveries	<u>(2,388,324)</u>	(2,388,324)
	97,569,359	99,799,029
Current portion of long-term murabaha financing	<u>(57,042,341)</u>	(58,345,881)
	<u>40,527,018</u>	41,453,148

5. SHORT-TERM MURABAHA RECEIVABLES - secured

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Considered good	7,837,492	13,775,122
Considered doubtful	-	1,847,369
	<u>7,837,492</u>	15,622,491
Provision for doubtful recoveries	-	-
	<u>7,837,492</u>	15,622,491

6. DIMINISHING MUSHARAKA FINANCING - secured

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Considered good	560,208	683,764
Current portion of long-term diminishing musharaka financing	<u>(231,810)</u>	(282,937)
	<u>328,398</u>	400,827

7. CERTIFICATES OF MUSHARAKA

	(Un-audited) 30 SEPT 2023	(Audited) 30 JUNE 2023
	----- (Rupees) -----	
Opening balance	167,500,000	177,500,000
Issuance	5,275,000	23,275,000
Redemptions	<u>(13,750,000)</u>	(33,275,000)
	159,025,000	167,500,000
Less: Current portion certificates of musharaka	<u>(29,310,000)</u>	(29,310,000)
	<u>129,715,000</u>	138,190,000

	(Un-audited) 30 SEPT 2023	(Un-audited) 30 SEPT 2022
	----- (Rupees) -----	
8. OPERATING INCOME		
Profit on murabaha receivables	3,422,756	4,987,759
Profit on diminishing musharaka	36,450	103,937
Profit on musharaka projects	600,000	450,000
Income from FPM Solutions	2,620,714	4,631,042
Income from FPM Petro Income	8.1 <u>152,909,095</u>	<u>40,532,539</u>
	<u>159,589,015</u>	<u>50,705,277</u>

8.1 This represents income generated from chemical business of FPM Petro Services. The Modaraba's share of income is 55%.

8.2 Trade receivables under FPM Petro Services as at the period end is Rupees 177.49 million (2022: 91.01)

9. CONTINGENCIES

The current status of contingencies is same as disclosed in the annual audited financial statements for the Year ended June 30, 2023

10. GENERAL

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.

Figures have been rounded off to the nearest rupee.

11. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 26 October 2023.

Chief Financial Officer

Chief Executive Officer

Director








Director










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First Paramount Modaraba
(An Islamic Financial Institution)

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